

G VALUE
with you

CSR Report 2006

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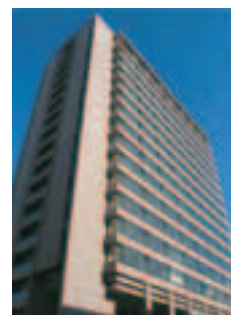
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Head Office

CSR Report Editorial Policy

While Toyota Tsusho Corporation (hereafter, "Toyota Tsusho") had been publishing environmental reports on its website since 2002, this represents the second time we have published a CSR Report for the fiscal year under review.

- The purpose of this report is to describe and report to our stakeholders worldwide Toyota Tsusho's activities aimed at the sustainable development of a global society.
- Toyota Tsusho is a trading company, and human resources are one of the most important assets of the Company. Accordingly, this report focuses on the activities of our employees, giving examples of actions taken on-site, to facilitate understanding that the Corporate Philosophy and Vision of Toyota Tsusho serve as a basis for its CSR activities.
- Special feature topics report on metals recycling, biogas power generation and a stable supply of feed grain, which illustrate our relationships with the natural environment from a "sustainability" viewpoint.

Scope of the Report

Toyota Tsusho Corporation and Tomen Corporation merged on April 1, 2006. This CSR Report mainly focuses on the activities of the Toyota Tsusho Group prior to the merger.

Toyota Tsusho Corporation, Main Consolidated Subsidiaries and Affiliates

This report mainly describes the activities of the Toyota Tsusho Group during fiscal 2006 (April 1, 2005 - March 31, 2006). It also includes activities conducted individually by the parent company as well as those carried out in periods other than fiscal 2006.

Issued : October 2006 (Next issue planned in September 2007)

Representative responsible for 2006 publication : President Junzo Shimizu

Guidelines

This report has been developed in accordance with the following guidelines.

Japanese Ministry of the Environment's *Environmental Reporting Guidelines* (FY2003 Version)

Global Reporting Initiative (GRI) Sustainability Reporting Guidelines 2002

Corporate Profile

(As of July 1, 2006)

Company Name	Toyota Tsusho Corporation
Establishment	July 1, 1948
Paid-in Capital	¥26,748 million
Common Stock	Issued—327,563,216 shares
Head Office	Century Toyota Bldg. 9-8, Meieki 4-chome, Nakamura-ku, Nagoya 450-8575, Japan
Tokyo Head Office	8-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo 100-8320
Branches & Sales Offices	Osaka, Hamamatsu, Toyota, Kariya, Hokkaido, Tohoku, Niigata, Hokuriku, Hiroshima, Kyushu, Matsumoto, Numazu, Fukuyama, Takamatsu
Bases	Domestic: 16 bases Overseas: 32 bases
Consolidated Companies	Domestic: 73 Overseas: 193
Number of Employees	3,105

Striving to Create Greater “G’ VALUE” with the People of the World

Building “VALUE” that Supports a Sustainable Society

Accompanying dramatic development worldwide, unusual changes have taken place in the environment—which the very existence of the human race depends upon—as seen with the wave of climatic disasters that have struck every part of the globe as well as the major disasters that have hit Japan. Regardless of the fact that our lives are dependent on environmental preservation and social stability at a global and regional scale, the balance of the natural ecosystem and social tranquility are being threatened.

The Toyota Tsusho Group is expanding in a wide range of businesses, including automobile-related businesses such as Metals, Machinery & Electronics and Automotive, as well as in Energy & Chemicals, Produce & Foodstuffs and Consumer Products, Services & Materials. Because we are intimately connected to the lives of people around the world through our business activities, we are cognizant of our role and responsibility for building a sustainable society.

The New Role Targeted by a Reborn Toyota Tsusho

Toyota Tsusho has achieved global growth centered on its automotive-related businesses, while Tomen boasts a broad customer base amid a backdrop of extending its business operations into a diverse array of non-automotive fields. The two companies merged in April 2006 and started anew as the reborn Toyota Tsusho Corporation with the aim of expanding business domains along with generating new business opportunities and further raising corporate value.

As a forward-looking step in our rebirth, we formulated a Corporate Philosophy, Behavioral Guidelines as well as “VISION 2015—LEAD THE NEXT,” which is directed toward realizing value creation. At the same time, we adopted “G’ VALUE with you” as the Group’s slogan to express our

strong determination to resolutely undertake bold change and achieve our mission.

We also integrated the best of the two former companies’ cultures through the drafting of the “New Toyota Tsusho Group Way” as a guideline defining the values and principles of behavior that should be shared by each and every member of the Toyota Tsusho Group.

Toyota Tsusho is a company that provides value originating from its “functions” (i.e., its social role that creates new value), which are appreciated by its customers. With the start of a reborn Toyota Tsusho, we have revised our corporate philosophy to ensure that we become a “value creating company.”

The basis upon which our growth as a Company rests depends on creating and expanding economic value through achieving our vision. In the future, however, this is an era in which we will be subject to severe scrutiny based not only on what results we achieve in what fields but also on how we achieve those results.

A person or company that carries out “value creation that contributes to the creation of a prosperous society” in a legal, reasonable and appropriate manner is what we believe is the definition of a “good corporate citizen.” Each and every employee of the Toyota Tsusho Group, as good corporate citizens, should possess a sense of pride as a member of spirited and productive groups that pursue value creation in their respective jobs and capacities. I want us to work toward ensuring that our stakeholders see us in this way as well.

Contributing to the Creation of a Sustainable Society

The Toyota Tsusho Group does not consider corporate social responsibility (CSR) to be a special activity, but rather, as an element of management itself for determining the ideal means of pursuing corporate activities.



Junzo Shimizu
President

We have positioned the mainstay automotive field as the “first pillar” of the Group and are working to accelerate the synergies between this sector and related business fields. Moreover, we aim to establish “second” and “third” pillars within non-automotive fields, while concurrently promoting CSR management in all business activities.

Within our trading company activities, environment-related businesses are fields in which we can make the biggest contribution to building a sustainable society, and accordingly, we will work to further promote such efforts as recycling businesses, reduction of global warming, environment-preserving products and conservation of the natural environment. In addition, Toyota Tsusho will continue to expand its efforts to contribute to the building of a prosperous society by focusing on social contributions and activities within the key areas of education, social welfare and sports and cultural support.

The vitality and energy of employees is the source as well as the impetus to advancing CSR management. We promote employee diversity by recognizing the value of differences regardless of gender, nationality, age and culture and as a means of generating dynamism within the Group. I believe that it is only because we have a workplace in which employees can work with enthusiasm that each person is able to fully unleash their talents and perform their duties with even greater added value. With this in mind, concerted efforts will continue to be undertaken to ensure that the organizational environment is such that employees feel a greater sense of

autonomy and purpose in their work.

I am confident that the new Toyota Tsusho Group can increase corporate value, provide value to all of its customers, shareholders and business partners and contribute to communities around the world to an even greater degree than we have thus far. We at Toyota Tsusho are fully committed to the achievement of these goals.

Our Desire to Work with All Stakeholders

I believe that our mission is to provide an unprecedented level of added value to the market and society by readily adapting to change and producing new business models in order to contribute to the building of a prosperous society. I am certain that this will lead to greater value for all of our various stakeholders.

In the future, we aim to ensure that employees pool their knowledge in harnessing team strengths in an effort to realize our vision. We will work to build unshakable relationships of trust with our stakeholders by ensuring transparency in management and providing honest and frank communication through the disclosure of business results in a timely and appropriate fashion. Concurrently, we will make Group-wide efforts to mutually share our dreams and aspirations while striving to be a company valued by society.

With sincere gratitude to our stakeholders for their unflinching support, I am pleased to present this report on Toyota Tsusho's CSR activities along with conveying our determination to meet your expectations. We encourage you to keep following the development and endeavors of a reborn Toyota Tsusho and ask for your continued guidance and support.

October 2006

Topic 01



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Contributing to Environmental Preservation through Resource Recycling Businesses

—An Introduction to the Recycling Business—



3

- 1 End-of-Life Vehicle (ELV) recycling
- 2 On-site plant recycling
Green Metals Inc. (U.S.)
- 3 Recycling scrap metal



End-of-Life Vehicle (ELV) Recycling

—ELV Recycling Employs a Growing Nationwide Network—

The Toyota Tsusho Group established Toyota Metal Co., Ltd. as a scrap shredding company in 1970 with the goal of reducing environmental load through ELV recycling as a company heavily involved in manufacturing and sales of automobiles. Since then, Toyota Metal has built a nationwide recovery network and expanded into the general ELV recycling business. We have developed an alliance network with vehicle collectors, dismantlers and proper treatment facilities.

Toyota Tsusho's ELV recycling business in Japan centers around Toyota Metal, whereby we have formed a first-rate domestic network that incorporates a value chain encompassing everything from development of recovery and recycling technologies and applications to recycling of automobile shredder residue (ASR; shredder dust that remains after recyclable scrap is removed from shredded vehicles).

Toyota Metal conducts recycling by extracting metal scrap and nonferrous metal scrap from ELVs using the largest shredders in Japan. It has steadily improved recycling efficiency by jointly establishing an ASR recycling plant with Toyota Motor Corporation in 1998 and utilizing technology enabling the recycling of shredder dust, which previously could only be treated or disposed of in landfills. Toyota Tsusho also jointly established Guangzhou Guangqi Toyotsu Resource Management Company Limited as a

comprehensive recycling joint venture with Guangzhou Guangqi Industrial Development Company Limited to undertake recycling of metal scrap and waste paper in Guangzhou, China.

With its long track record and wealth of experience, Toyotsu Recycle Co., Ltd. recovers and sells precious metals from automobiles. The company is also engaged in ASR recycling businesses, in which ASR recycling services to properly dispose of waste and recycle ASR are provided on consignment to Toyota Motor Corporation and Honda Motor Corporation.

Toyota Metal also promotes the recycling of such rare metals as platinum, radium and rhodium in the process of recovering catalytic converters used for controlling auto emissions.

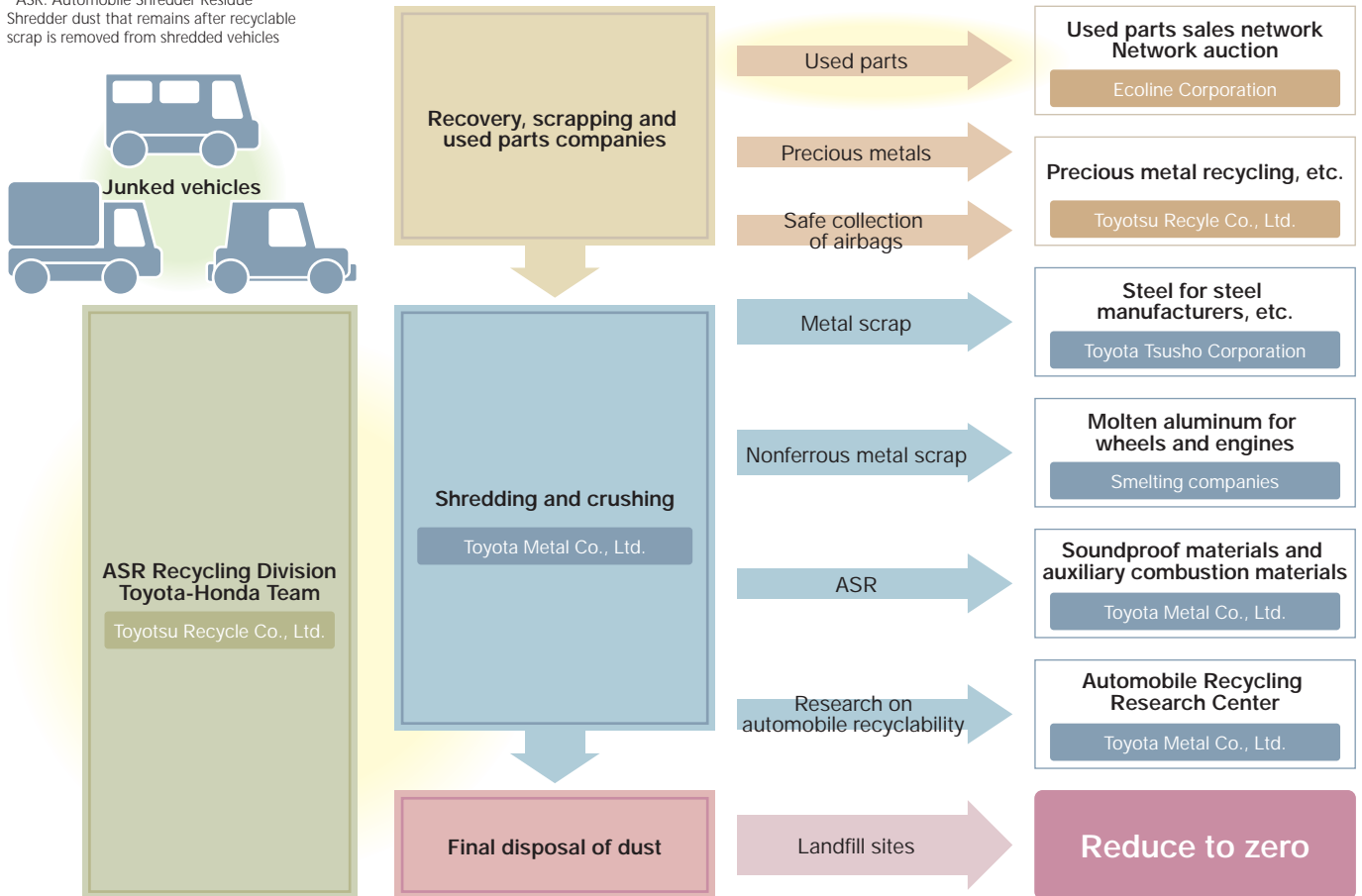
Following the implementation of Japan's Automobile Recycling Law in January 2005, automobile manufacturers and importers are required to carry out proper processing and recycling of ASR. While working to achieve ASR recycling ratio targets, which have gradually increased, Toyota Tsusho is also working to build an efficient recycling system.

Along with expanding the general ELV recycling business nationwide, Toyota Tsusho is pursuing efforts to promote the reuse of precious resources in a broader range of fields, including undertaking resource recycling for discarded home appliances.

Automobile Recycling

The Toyota Tsusho Group works closely with waste recycling centers to produce value. We are also contributing to environmental preservation through active involvement in the ASR* recycling business.

*ASR: Automobile Shredder Residue
Shredder dust that remains after recyclable scrap is removed from shredded vehicles



On-site Scrap Recycling Business —Creating New Functions—

Toyota Tsusho has expanded its efficient recycling business domestically and abroad, beginning with operations launched in the U.S. state of Kentucky in 2000.

In addition to metal scrap, Toyota Tsusho also conducts processing treatment for such recycled paper as cardboard discarded after the delivery of automobile parts, wood debris and waste plastics.

At present, operations have expanded to encompass the United States, Czech Republic, France, South Africa, as well as Tianjin and Guangzhou, China. In Japan, Toyota Tsusho has established a recycling company on-site at a plant in the Hokuriku region (Fukui Prefecture) to bring the number of bases to 13. This number is expected to reach 14 in 2006 with the establishment of a base in Thailand (operational basis).

Toyota Tsusho recently established a comprehensive recycling company in the summer of 2005 in Guangzhou, China, where it recycles metal scrap and waste paper.

Overseas, Toyota Tsusho is aggressively investing in the processing and logistics business as well as on-site recycling business, and will pursue expansion of the latter business alongside its steel blanking business, aluminum melting business and aluminum processing business.



Comprehensive recycling company
Guangzhou Guangqi Toyotsu Resource
Management Company Limited
(Guangzhou, China)

We will contribute to the global environment through environmental and recycling businesses, as well as secure a large supply of metal scrap, which is essential for steel recycling, and develop personnel through global operational management. In doing so, we will enhance the Group's image through steady progress in these areas. Our mission has greatly evolved beyond its original purpose.

Kiyoshi Yamakawa
General Manager,
Iron & Steel Raw Material Dept.



Topic 02



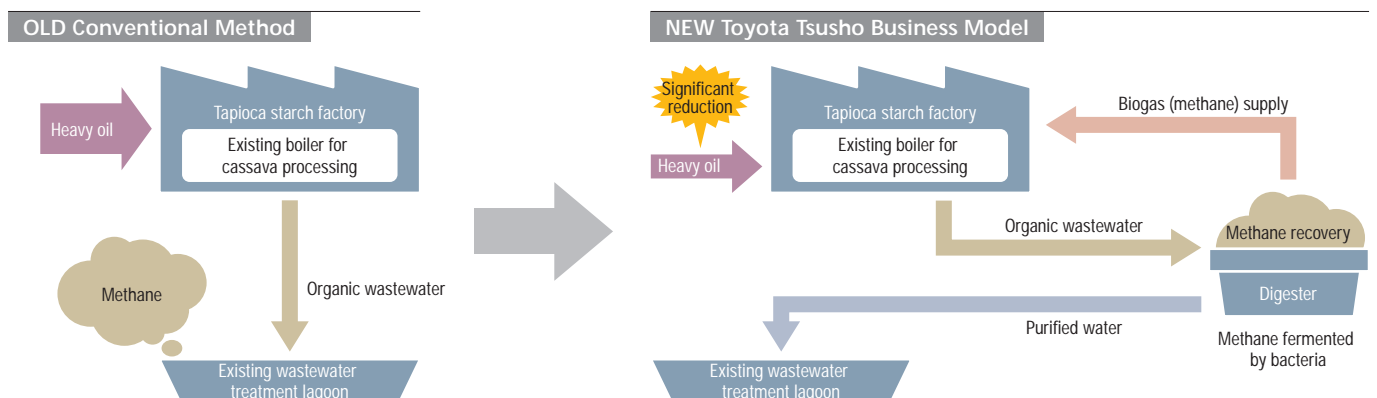
Breaking Away from Being an Oil-dependent Society —Biogas Power Generation Business—

Biogas Power Generation Business

Cassava*1 is a perennial shrub native to Latin America that is used as an ingredient for tapioca starch production and widely cultivated in Thailand as an agricultural product second only to rice. Tapioca starch factories produce wastewater containing considerable organic materials as a result of processing, and many factories naturally purify their wastewater using their own large wastewater lagoons that number anywhere from 10 to 20.

The biogas business collects the methane*2 produced in the purification of the wastewater into a reaction vessel and then provides it as energy to the tapioca factory. This business on a small scale uses previously unused energy to promote the breaking away of society from being dependent on oil. Toyota Tsusho considers this business as contributing to environmental preservation by preventing the dispersal of ozone-depleting methane gas into the atmosphere.

Biogas production processes are separated into three stages, including such pretreatment processes as wastewater pH adjustment, biogas production using a reaction vessel and adjustment of ingredients in biogas. While biogas production using pretreated wastewater is what differentiates biogas production, Toyota Tsusho has also received suggestions from European, U.S. and Thai consultants on various methods. This business employs Anaerobic Baffled Reactors (ABRs), and the biogas production process produces biogas by funneling wastewater into reaction vessels, which are 80,000 m³ pools covered with High Density Polyethelene (HDPE), wherein anaerobic fermentation takes place.





Currently, amid the clamor of rising crude oil prices and global warming, the low-tech biogas business is only one business gaining attention for its dual aspects of eliminating oil dependency and preventing global warming. However, its very low-tech characteristic means that success or failure depends more on one's expertise and experience. Toyota Tsusho aims to steadily and rapidly build on its experience, and expand the biogas business to include 10 operations, including five in Thailand over the short term as well as additional operations in other Southeast Asian countries over the medium term.



Tatsunori Kaiden
Cassava Waste to Energy Co., Ltd.
(assigned)



- 1 Anaerobic Baffled Reactor (ABR)
- 2 Water purification lagoon for tapioca starch plants
- 3 Cassava
- 4 Constructed site



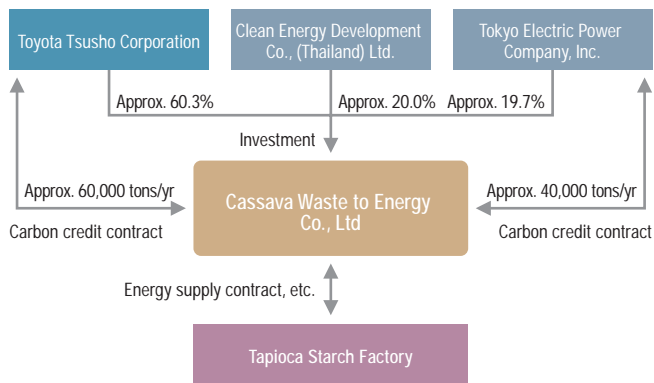
*1 Cassava

A perennial shrub native to Latin America. It grows well in unhealthy land and acidic soils and is widely cultivated in Thailand. Cassava tolerates dry conditions. It is easy to propagate in tropical climates, needing only to have a stem planted in the soil, and grows into a large, fleshy and tuberous root 30-80 cm long. High-quality tapioca starch is made by mashing the root and allowing it to precipitate.

*2 Methane (CH₄)

Methane is a chemical emitted during fermentation of organic wastewater released in the process of making tapioca starch from cassava. Methane has 21 times the greenhouse effect of CO₂, and thus burning methane and decomposing it into CO₂ and water can greatly reduce greenhouse gases.

Capital Composition and Project Scheme



Reducing CO₂ by Roughly 100,000 Tons Annually

Cassava Waste to Energy Co., Ltd. was established in order to operate and manage the biogas business as a joint venture between Toyota Tsusho (60.3%), Clean Energy Development Co., (Thailand) Ltd. (20.0%) and Tokyo Electric Power Company, Inc. (19.7%). In order to launch the first facility by the end of 2006, Toyota Tsusho is currently building biogas production facilities in Kalasin Province, which is roughly 500 km northeast of Bangkok. The tapioca starch factory, which acts as both a wastewater supplier and biogas purchaser, has four boilers and uses roughly 25,000 liters of crude oil annually. With the launch of operations for the biogas business, this factory's crude oil consumption is expected to decline by 80%. Cassava Waste to Energy can provide great advantages to the tapioca starch factory by entering into a contract for the supply of biogas and selling it for a set discount

below the market price for crude oil. Moreover, just the first facility alone is expected to reduce CO₂ by roughly 100,000 tons annually.

Toyota Tsusho believes that the biogas business will become more widespread given that Thailand and various countries of Southeast Asia are located in a region where large tracks of land can be used due to the mild year-round climate. There are also numerous entrepreneurs involved in this field. In view of such factors, the biogas business will likely expand over the short term through such operations as tapioca starch factories and ethanol factories in Thailand. Over the medium term of three to five years, aside from biogas business for palm oil and organic materials, the Company is considering lateral development in other Southeast Asian countries as well.

Topic 03



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2



3

- 1 Tohoku Grain Terminal Co., Ltd.
- 2 Corn harvesting
- 3 Manure lane Becomes good quality compost after approximately 45 days

安心・安全な食料の安定供給で、豊かな食卓の創造を。



豊田通商株式会社

Steadily Supplying Safe and Reliable Livestock Feed

—Case Studies in the Feed Grain Business—

Feed Complexes in Four Locations in Japan

Tohoku Grain Terminal Co., Ltd.



Hachinohe

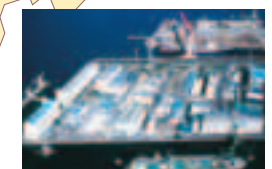


Kanto Grain Terminal Co., Ltd.

Kashima



Higashinada Tomen Grain Silo Co., Ltd.



Toyo Grain Terminal Co., Ltd.

Kobe

Chita

Stable Supply of Feed Grain

The food self-sufficiency ratio for Japan is roughly 40%, meaning that Japan depends on imports for the majority of its food supply. Toyota Tsusho handles a wide range of general foodstuffs and food products, including grains, raw sugars, agricultural products and marine products, and accordingly, is working to ensure a stable supply of safe and reliable foods. Within those figures, Japan annually imports roughly 13.5% of such feed grains as corn, corn-millet and hay, which equates to 2,700,000 tons and is one of the largest import volumes in the world.

The main strength of Toyota Tsusho's feed grain business is its feed processing complexes, centered on four grain silos in Japan. We supply these grains via a dedicated pipeline that extends from silos with piers that enable transversal docking of large ships to formula feed makers situated further inland.

A major challenge with grains is avoiding the risk of shortages due to large variations in yield stemming from climatic conditions. By leveraging a global network built over many years, dispatching employees to key bases and gathering and analyzing data from such production regions as the United States, Australia and South America, we have built a structure that can secure stable supplies from the most suitable regions as needed.

Addressing Traceability: Case Studies on Non-GMO Corn

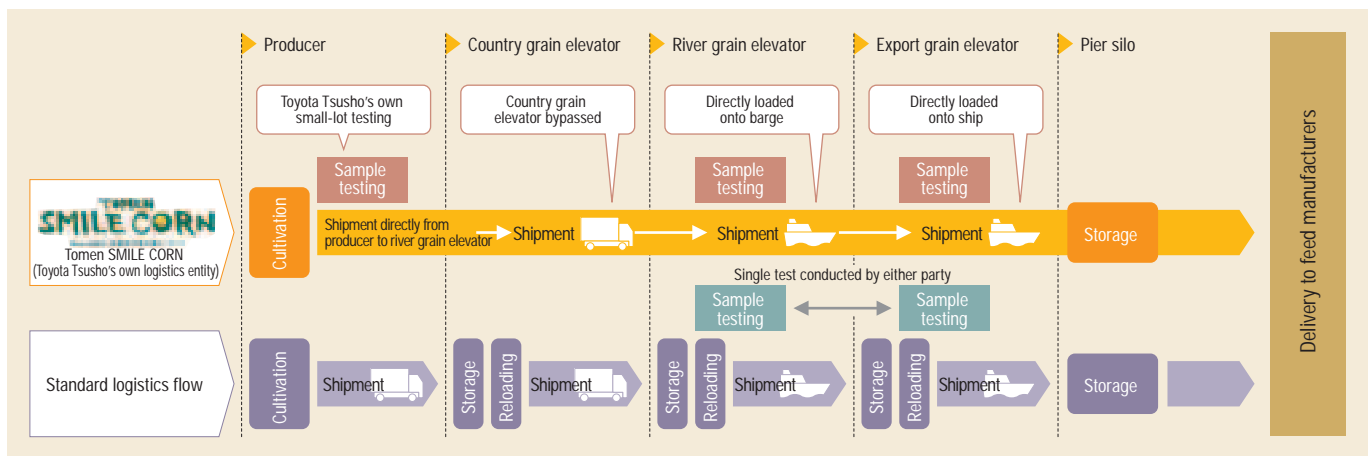
In line with the diversification of consumer needs and other factors, Toyota Tsusho is working to provide a stable supply as well as ensure safety and reliability among its suppliers. We are promoting traceability that includes understanding and tracking cultivation and production and processing methods, buyers, as well as respective processes of cultivation, production, processing, logistics and sales at suppliers. One example of these efforts is our own stringent IP Handling Method to prevent the accidental mixing of GMO corn into non-GMO supplies as much as possible at every stage.

During the cultivation, production and processing stages, meticulous controls that include everything from seed checks to post-harvest sample testing are carried out. At the logistics and sales stages,

Toyota Tsusho reduces the time of loading and unloading in order to prevent the risk of cross-mixing. Our loading method into Company silos and onto docked barges and ships enables us to clearly determine the management conditions in any given production region and offers a mechanism for quality control that employs certificates of approval through testing at every stage.

Cross-pollination of corn during cultivation cannot be fully prevented since it is a wind-pollinated crop, which means that up to 5% of GMO corn in non-GMO stock is permitted under Japan's Ministry of Health, Labour and Welfare standards. Toyota Tsusho undertakes efforts to bring its rate of cross-mixing as close to 0% as possible through a structure in which thorough checks are directly conducted.

Non-GMO Corn: Toyota Tsusho's Logistics Flow Versus Conventional Flow



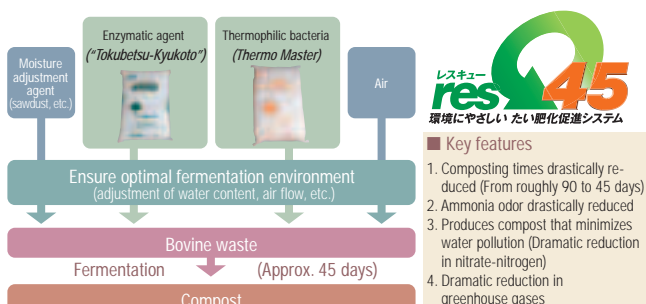
Supporting Livestock Waste Treatment

As an extension of the feed grain business, Toyota Tsusho has begun treating animal waste, which can be said to be the final stage.

With the full implementation of Japan's Law Concerning the Appropriate Treatment and Promotion of the Utilization of Livestock Manure in November 2004, the treatment of waste has become a major burden for livestock farmers. In July 2006, Toyota Tsusho began sales of the "resQ45" manure composting process system, which was jointly developed by Menicon Co., Ltd. and Toyota Motor Corporation to promote the conversion of animal waste into compost.

"resQ45" dramatically reduces the smell of ammonia, which is the main odor produced by waste, and converts waste into compost in less than half the time it takes using conventional methods, thus aiding in the proper treatment and optimal use of this resource. It also greatly reduces the production of greenhouse gas nitrous oxide and nitrates, which are the main source of water pollution, making it an excellent environment-friendly system.

Overview of the "resQ45" Composting Process System



*For details, please visit the "resQ45" homepage at <http://www.toyota-tsusho.com/resq45.cfm> (Japanese)

Role of the Safety Promotion Team

Toyota Tsusho launched the Food Safety Promotion Team within the Produce & Foodstuffs Division in order to maintain stable supplies of safe and reliable foods. Comprehensive efforts entail educating employees through the creation of safety management manuals and implementation of training programs, while concurrently encouraging the sharing of information to acquire the fundamental knowledge necessary for working in the foods business, including legal compliance and traceability.

We are also working to promote a safety management structure by instituting a reporting system to enable rapid and appropriate handling of problems when they occur.

Japan relies on imports to secure the majority of its needs for such grains as wheat, corn and soybeans, as well as for oil seeds. The sources for these products, however, are controlled for the most part by supply nations such as the United States and other countries in South America. As demand grows in China and Southeast Asia amid continued economic growth, intense competition for food sources is likely to ensue according to the production situation of respective supply nations.

Moreover, Japan is strict in terms of food safety and reliability, including raw materials, which means that the past practice of simple mass importation is no longer tenable. In order to meet both

the need for stable imports as well as safe and reliable imports, our mission is to exert our strengths stretching across the supply chain from the point of production to consumption to meet customer expectations.



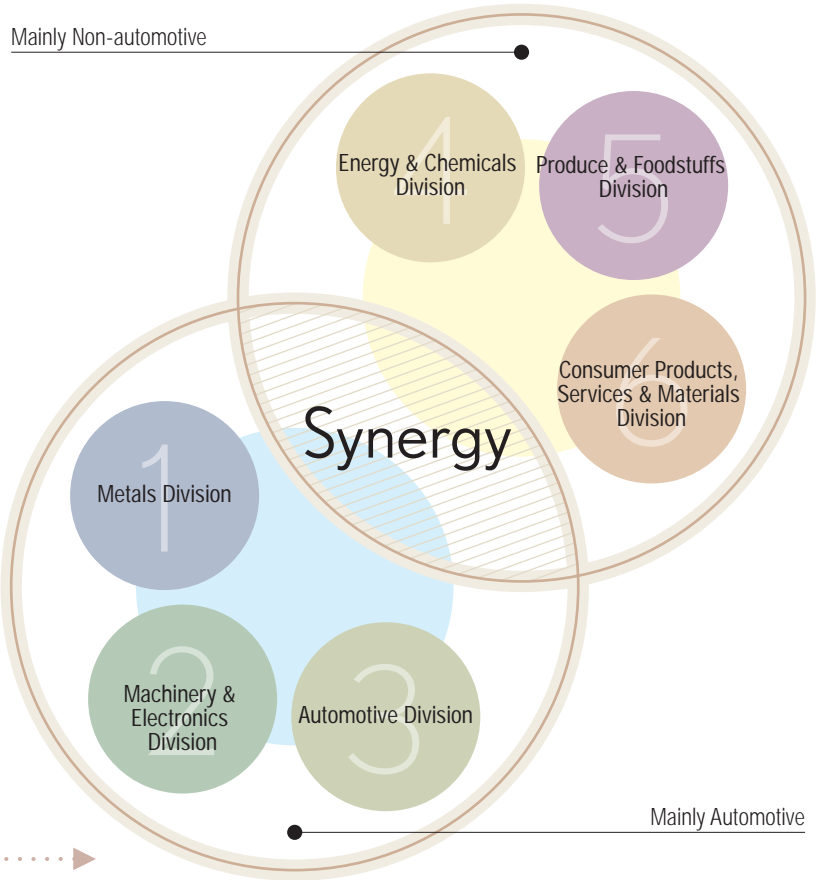
Kenichiro Koizumi
Feed and Oilseeds Department

Toyota Tsusho Group Overview

Six Business Domains of the Toyota Tsusho Group

As a member of the Toyota Group, the Toyota Tsusho Group has positioned automotive-related businesses, which also encompass Metals and Machinery & Electronics and automobiles, as its core businesses. These businesses are part of a balanced business portfolio that spans a wide range of sectors such as Energy & Chemicals, Produce & Foodstuffs and Consumer Products, Services & Materials. This breadth and scope of operations allows Toyota Tsusho to combine a lineup of products and services essential to achieving an affluent and comfortable society with functions that create unique value.

Toyota Tsusho fully leverages the Group's expertise and strengths accumulated over many years in each of these fields and generates synergies through close collaboration with other divisions to create new value.



■ Six Business Domains (Product Divisions)▶

1 Metals Division



Special steel

2 Machinery & Electronics Division



Semiconductor products

3 Automotive Division



Vehicles ready to be loaded onto a ship

Main Products and Services

- Ordinary and special steel products and steel construction materials
- Unwrought nonferrous and precious metals
- Rolled light metal products, copper and copper alloy products
- Scrap iron and scrap nonferrous metals
- Ferro-alloy products, wrought iron
- End-of-life vehicle (ELV) recycling and disposable catalyst

Manufacturing, processing, disposal and sales of above the products

- Machine tools, industrial machinery and textile machinery
- Testing and measuring instruments
- Environmental equipment
- Information and telecommunication equipment
- Electronic devices and parts
- PCs, PC peripheral products and various software

- Semiconductors
- Automotive parts for overseas automobile production
- Forklifts
- Intelligence Transport System (ITS) equipment

Sales of, and services for, the above products

- Passenger vehicles
- Commercial vehicles
- Light vehicles
- Two-wheeled vehicles
- Trucks and buses
- Automotive parts

Sales of, and services for, the above products

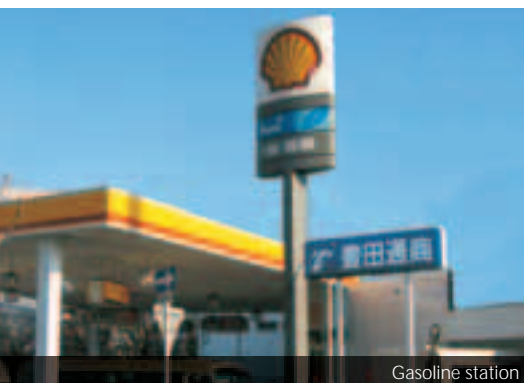
Value Creation Business of the Toyota Tsusho Group

The trading company functions of the Toyota Tsusho Group involve more than moving products from one location to another. We have also organically united our four operational platforms to give our products functions and added value that meet customer needs while concurrently creating new value. Toyota Tsusho has built a value-added chain by linking together all business segments.



Four Business Platforms

4 Energy & Chemicals Division



Gasoline station

5 Produce & Foodstuffs Division



Wheat and flour business

6 Consumer Products, Services & Materials Division



Condominium business

- Petroleum products and LPG (liquefied petroleum gas)
- Coal
- Crude oil
- Petroleum and natural gas products
- Energy and electric power supply business
- Plants
- Petroleum chemicals

- Organic chemicals
 - Fine and inorganic chemicals
 - Highly functional specialty chemicals
 - Fat and oil products, synthetic resins and chemical additives
 - Natural and synthetic rubbers
- Processing, manufacturing and sales of, and services for, the above products

- Livestock feed
- Grains
- Processed foods
- Food ingredients
- Agriculture and livestock products
- Alcoholic beverages
- Others

- Condominiums and commercial buildings
 - Construction materials, housing materials and furniture
 - Textile raw materials
 - Apparel
 - Interior goods
 - Sleepwear products
 - Textile products, textile materials and jewelry
 - Automotive interior parts and materials
 - Packaging materials
 - Paper and pulp
 - Life and health insurance and property and casualty insurance
 - Visible-light responsive photocatalysts
- Sales of, and services for, the above products

Toyota Tsusho Group Philosophy Framework

The Toyota Tsusho Group upholds a Group philosophy framework consisting of four tiers that will help pave the way for a new era.

The reborn Toyota Tsusho Group pursues open and fair corporate activities as well as carries out activities to fulfill its social responsibilities and preserve the global environment based on its Corporate Philosophy of "Striving for co-existence and co-prosperity with people, society and the Earth, we aim to become a value creating company that contributes to the creation of a prosperous society." In tandem with this and in order to realize our basic management philosophy of "providing added-value" through applying our creativity that will bring satisfaction to all of our stakeholders, including customers, shareholders, employees and local communities, the Toyota Tsusho Group has created "G' VALUE with you" as the Group's flagship message.

Fundamental Philosophy

This is the permanent, unchanging, paramount concept that should be inherited and embraced by successive generations.

Vision

This clarifies the signposts to be followed and the targets to be reached after 10 years as we continue to pursue and realize our fundamental philosophy.

Long-term Plan, Annual Plan

These are guidelines for business activities that take into account changes in the management environment. These contain policies, specific action plans and numerical targets.

The Toyota Tsusho Group Way

This defines the values and principles of behavior that should be shared by all Toyota Tsusho Group executives and regular employees alike in working to attain our Vision and realize our fundamental philosophy.

CSR Policy

Toyota Tsusho's CSR policy realizes our Corporate Philosophy and Vision in accordance with our Behavioral Guidelines and L.E.A.D.

Corporate Philosophy

Striving for co-existence and co-prosperity with people, society and the Earth, we aim to become a value creating company that contributes to the creation of a prosperous society.

VISION 2015
—LEAD THE NEXT—

Ideal Image
Targets and Signposts

Behavioral Guidelines

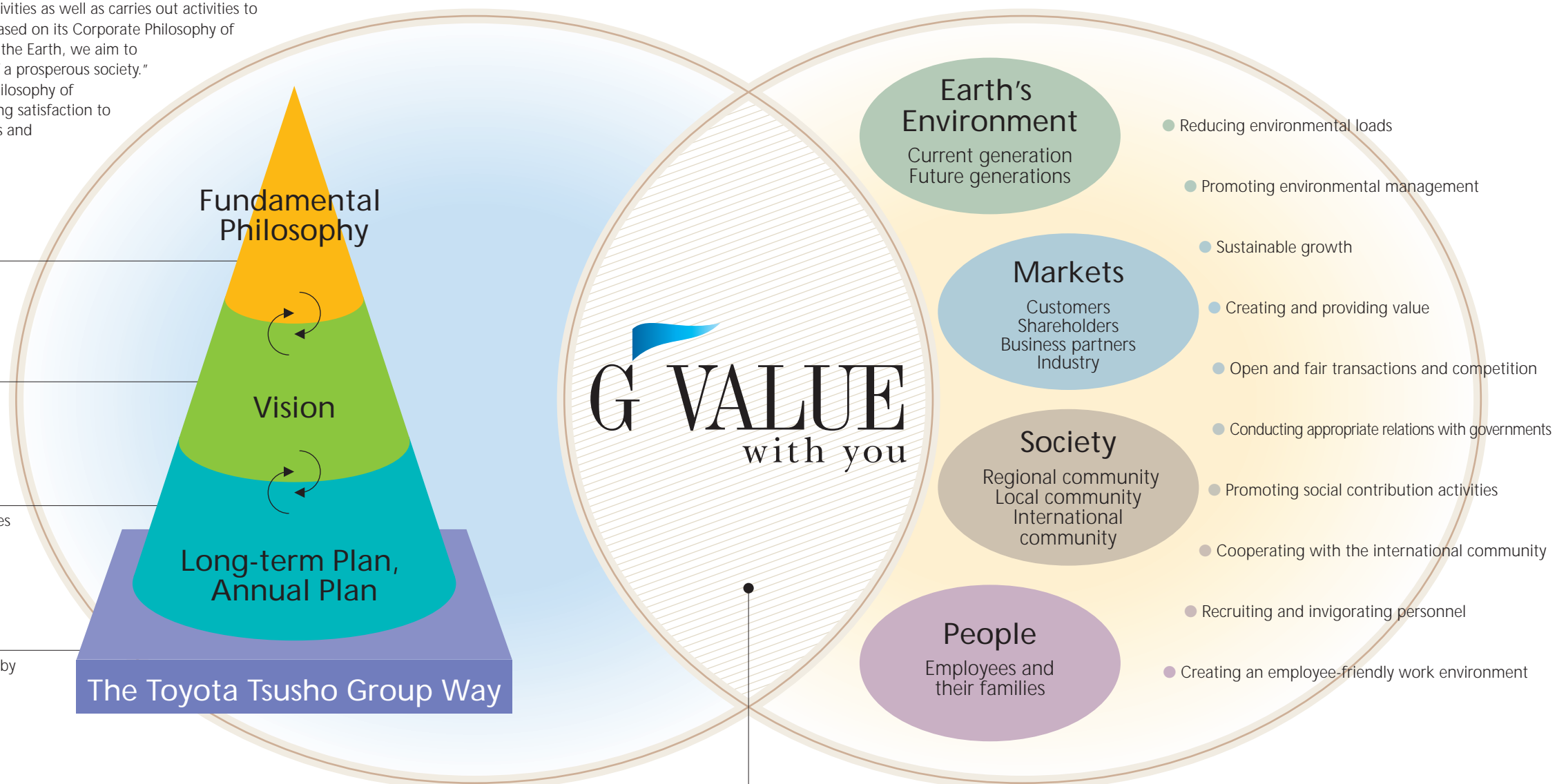
- As a good corporate citizen,
- We will strive to undertake open and fair business activities.
 - We will strive to execute our social responsibilities and to preserve the environment.
 - We will strive to utilize our creativity and offer added value.
 - We will strive to respect humankind and create a vibrant and motivating workplace.

L.E.A.D.
(Three Areas and 12 Aspects)
Promoting strategic decision-making under the keyword L.E.A.D.
(See page 42)

Behavioral Guidelines
Principles of Behavior

Building Excellent, High-quality Relationships with Stakeholders

We regard the various Toyota Tsusho Group stakeholders as partners working together with us to create a bountiful society. Accordingly, we place high value on promoting two-way dialogue with stakeholders and are ever mindful of timely disclosure with regard to management and results, while striving to build excellent, high-quality relationships with stakeholders based on mutual bonds of trust.



Flagship Message

"G' VALUE with you" is the Toyota Tsusho Group's slogan as it strives to realize its Corporate Philosophy.

Three Core Requisites for Creating Value within the Toyota Tsusho Group

- Global** ~Expanding activities in the global arena
- Glowing** ~Maintaining a healthy, glowing enthusiasm and passion
- Generating** ~Continually generating new businesses

This message embodies the idea that new value is created when each employee finds his or her own "G" (goal or challenge) and combines these diverse individual strengths to produce the Toyota Tsusho Group's "G' VALUE." Together with all stakeholders (with you), we aim to create an even richer "G' VALUE" and collectively share the results of such value.

Corporate Governance and Compliance

We endeavor to uphold the Toyota Tsusho Group's Corporate Philosophy, "Striving for co-existence and co-prosperity with people, society and the Earth, we aim to become a value creating company that contributes to the creation of a prosperous society." To realize this fundamental goal, the Company is actively pursuing increased management efficiency, transparency, thorough compliance and a healthy financial position. In addition, we are considering ways to further enhance public relations and investor relations activities in order to promote a broader understanding of the Toyota Tsusho Group.

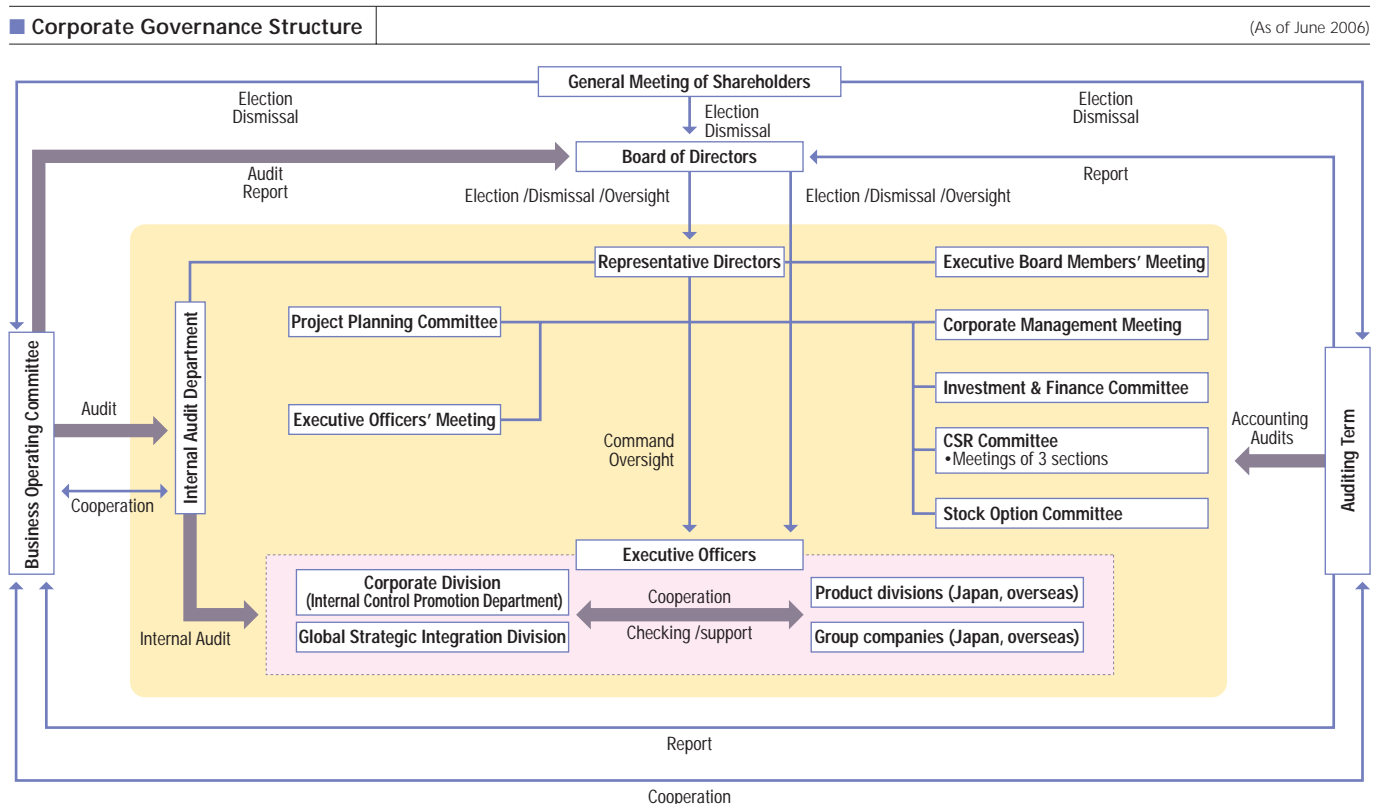
Corporate Governance

Corporate Governance Structure

Toyota Tsusho has adopted a Corporate Auditor System for its corporate governance system. The auditing of the execution of duties of directors is carried out by five corporate auditors. Three outside auditors are employed to perform audits from a third-party perspective. The corporate auditors are responsible for monitoring the fairness of accounting methods and results of audits by an independent auditor, exchanging information and ideas regarding crucial accounting topics, improving quality and efficiency in auditing by promoting cooperation with an independent auditing firm, as well as enhancing corporate governance. Toyota Tsusho promotes consolidated management through a divisional framework comprising a total of eight divisions, including six product divisions, the Corporate Division and the Global Strategic Integration Division. The chief division officers are elected by the Board of Directors and are responsible for keeping abreast of both overall company management as well as the execution of duties associated with their divisions, along with promptly communicating and sharing pertinent information at the Chief Division Officers' Meeting and other similar events.

From April 2006, Toyota Tsusho has introduced an Executive Officer System and streamlined its Board of Directors in order to raise management efficiency and strengthen internal control, as well as accelerate decision-making by putting the Board of Directors in charge of overall company management and executive officers in charge of division management by supporting the chief division officers. By separating overall company management (directors) from the execution of duties (executive officers), Toyota Tsusho is aiming to clarify authority and responsibilities, strengthen supervisory functions and the execution of duties by the directors and executive officers, respectively, as well as augment internal control.

In addition, Toyota Tsusho has established a Company-wide lateral meeting structure wherein directors and executive officers examine measures for addressing management issues, consulting with the Board of Directors as necessary.



Internal Control System

Based on its fundamental philosophy, the Toyota Tsusho Group passed the Basic Policy on Building an Internal Control System at the General Meeting of Shareholders in May 2006. In tandem with developing a structure that ensures the Group's business operations are carried out in an appropriate manner, this policy aims to develop a structure that passes on and further strengthens the Toyota Tsusho Group Way, which represents daily principles of behavior, values and beliefs unique to the Toyota Tsusho Group, along with promoting value creation from the customer's point of view and fulfilling the Group's social mission.

Building a Compliance Structure

A variety of measures are implemented to ensure that directors and employees carry out their duties in accordance with laws and regulations and the articles of incorporation. For example, Toyota Tsusho distributes a portable version of the Behavioral Guidelines to all management-level employees, has established the CSR Committee, which is chaired by the president (see pages 17-18), as well as promotes information sharing and checks and balances among the divisions through such means as the Project Planning

Committee and the Executive Officers' Meeting. In terms of assessment and monitoring, Toyota Tsusho assesses, manages and checks activities in the operational process and has also established the Internal Control Promotion Department to build a system that can ensure reliability in financial reporting and an internal reporting system (see page 18). Internal audits are also conducted through the Internal Audit Department, which operates independently under the direct control of the president.

Building a Risk Management Structure

In order to manage exposure to loss, measures include establishing administrative rules for managing various risks and conducting training and distributing manuals. In terms of Toyota Tsusho's business activities, the Company develops guidelines and maintains administrative rules as well as works to understand and manage risks that require special caution such as investment and lending risk, credit risk, market risk, occupational safety and

health and environmental risk. In other areas, Toyota Tsusho is building a suitable management structure within relevant departments to deal with such aspects as information security, a system for export and import control and crisis management in times of disaster. The Company also works to identify and understand Company-wide issues related to risk via the Risk Management Enhancement Committee.

Building an Information Management Structure

Regarding information storage and management, Toyota Tsusho has drafted the "Document Regulations" and "Handling Protocols for Management and Storage of Documents," along with other

measures including designating departments in charge of storage and the storage period.

Ensuring the Propriety of Business Operations in the Toyota Tsusho Group Companies

In order to ensure operations within the Toyota Tsusho Group are conducted appropriately, measures are undertaken to fully disseminate Group policies and mutually share information via a Group-wide lateral meeting structure. Additionally, while respecting each company's autonomy, Toyota Tsusho follows and maintains control over important matters pertaining to

the financial status and essential operational issues of its subsidiaries as well as implements operational oversight and auditing through dispatching directors and corporate auditors as necessary. Furthermore, the Internal Audit Department implements internal audits and Control Self-Assessment at Toyota Tsusho Group companies in Japan and overseas.

Toyota Tsusho's Approach to CSR

Amid the rapidly advancing globalization of economies, the importance of CSR for companies is increasing. As this trend unfolds, Toyota Tsusho is actively considering how it can contribute to a sustainable society and planet.

Toyota Tsusho regards the fulfillment of CSR as encompassing all areas of corporate management, rather than just being a special endeavor. In other words, keeping in mind our relationships with stakeholders worldwide and based on compliance with laws in Japan and overseas, we carry out honest business activities focused on "strengthening our functions, protecting the environment and coexisting with society." We believe that this is the best way that we can make a positive contribution globally.

In line with this rationale, we formulated our Corporate Philosophy and Vision and aim to realize our stated goals in accordance with our Behavioral Guidelines.

CSR Structure

We have been pursuing measures that stressed compliance through the Corporate Ethics Committee established in 1997. To handle CSR-related matters more effectively, we reorganized and renamed the committee as the CSR Committee in January 2005. Chaired by the president, the CSR Committee takes the central initiative for promoting CSR and organizes committee meetings twice a year. In these meetings, general managers of corporate and operational departments report to participating directors on various matters that include results of business activities, issues and future measures, and in turn, receive guidance on future direction and measures to be pursued.

The CSR Committee is specifically tasked to address primary issues as indicated on the right.

Major Responsibilities of CSR Committee

1. Corporate Governance
2. Internal Control
3. Compliance
4. Environmental Management
5. Occupational Safety and Health Management
6. Human Rights
7. Mental Healthcare
8. Risk Management
9. Social Contribution
10. Information Security



CSR Committee meeting

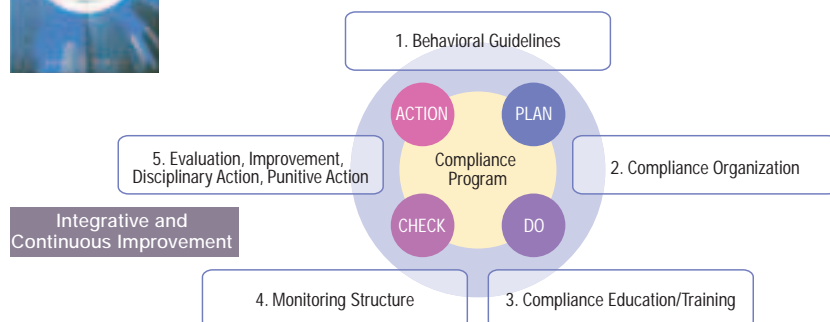
Compliance Structure

As a means of realizing a smooth PDCA (Plan-Do-Check-Action) cycle, we are implementing the following compliance program.

Compliance Program

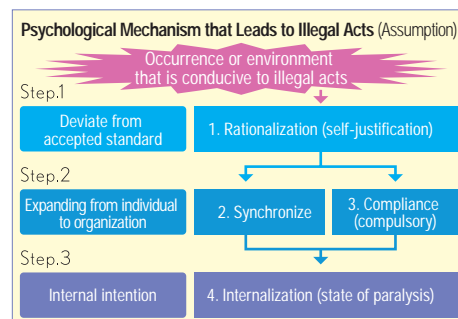
Behavioral Guidelines

In accordance with our Behavioral Guidelines, we carry out compliance based on the keywords "L.E.A.D. as Responsibilities" (see page 42). To provide specific standards of conduct for our employees, we have developed and distributed the *Code of Ethics Guidelines* and a handy publication called *Our Roadmap* that incorporates various incidents that are actually likely to occur and provides help in making a decision in instances where an employee may be unsure of what to do.



Compliance Education/Training

We offer training to ensure legal compliance and, in principle, avoid illegal conduct. A psychological mechanism that leads to illegal acts is analyzed and the results are used to develop countermeasures tailored to the specific conditions for respective work sites and organizational structures. Although this training has been previously conducted for managers of the Company and its affiliates, we are specifically promoting the training during this term for those who have not taken the course on a consolidated basis as a result of the merger.



Hotline Services (Internal Reporting System)

As part of the structure to quickly identify and respond to problems, we set up the Will Do hotline in 2002 to provide consultation services internally and externally for employees on matters not directly connected to their work duties.

Executive Comment

I believe diversification of personnel due to the current operational integration will enable us to enhance our sensitivity for detecting environmental changes in the future and improve our power to evolve as a company.

I am confident that providing even higher value added benefits to all our stakeholders by cooperatively realizing our new Vision and raising employee aspirations and sense of mission through such opportunities and processes will nurture a sense of humanity as well as foster capabilities, and ultimately lead to achieving a positive spiral of CSR management.



Executive Officer ● Kuniaki Yamagiwa

Promotion of CSR Management Communication with Stakeholders

The Toyota Tsusho Group offers a wide array of communication tools for various stakeholders in order to enable them to correctly understand the ideal image of the Toyota Tsusho Group.

Annual Report

Toyota Tsusho publishes Japanese and English versions of its Annual Report primarily focusing on investors in Japan and overseas, in which we introduce general information related to business operations, including management strategy and financial statements. These reports are also available on our website.



Annual Report



Shareholder Report



Video streaming of General Meeting of Shareholders

Communication with Shareholders

We consider the General Meeting of Shareholders as an important venue to communicate with our shareholders. To allow as many shareholders as possible to attend the meeting, we make a concerted effort to avoid holding this meeting on days when there is a large concentration of other shareholder meetings.

In the general meeting, we are also conscious of providing easy-to-understand explanations by presenting business reports using video accompanied by narration. For those shareholders and general stakeholders who are unable to attend the meeting, we provide live and on-demand viewing of the meetings through our website. Additionally, we are making efforts to communicate with as many shareholders as possible using various tools such as publishing Shareholder Reports twice a year.

Press Get-togethers

Informal get-togethers are held twice a year in Tokyo and Nagoya to promote dialogue between the mass media and management. These gatherings aim to deepen mutual understanding by providing more in-depth explanations of matters that cannot be sufficiently conveyed during interviews or in news releases as well as through the exchange of opinions. Along with explaining the Company's business circumstances, trends and other topics, we also respond to questions from reporters in an effort to achieve two-way communication.



Press get-together



Newsletters (Domestic and Overseas)

Toyota Tsusho publishes newsletters for domestic and overseas employees with the aim of accurately conveying the Toyota Tsusho Group's management information and developing opportunities to expand communication among employees.



Toyotsu News newsletter (Domestic)



Global Family newsletter (Overseas)

Information Disclosure on Toyota Tsusho Website

A wide range of information including Toyota Tsusho's basic corporate information, business activities, financial information and employment opportunities are available on its website. In addition to the disclosure of information from the Company, we are also establishing a point of contact via the website as a communication tool for requesting materials or receiving inquiries from all of our stakeholders.

Website <http://www.toyota-tsusho.com>



Website



Corporate Advertising

In order to deliver new messages to a wide spectrum of stakeholders as the reborn Toyota Tsusho Group, we are developing corporate advertising that expresses Toyota Tsusho Group employees' thoughts as well as their desire to continuously create new value with stakeholders worldwide.



Corporate advertising



Joint advertising

Environmental Report

Environmental Efforts

As part of our environmental protection efforts, the Toyota Tsusho Group has established an environmental policy based on the recognition that addressing environmental problems is essential for our own existence and business activities. Accordingly, individual employees take an autonomous, proactive approach to environmental issues, while simultaneously undertaking collaborative activities.

Toyota Tsusho Group's Environmental Policy and Basic Rationale

Since its establishment, the Toyota Tsusho Group has regarded the protection of the Earth's environment as a crucial management issue. In 2000, we formulated the Toyota Tsusho Group's Environment Policy that serves as an action guideline for all top managers and employees. Also in 2000, we established the Earth Environment Committee, the predecessor of the current Conference on the Global Environment, as we vigorously promoted our environmental activities. With our environmental management activities now firmly in place, we have established environmental objectives and targets in accordance with our environmental policy and are carrying out improvement activities to protect the Earth's environment, enhance our business operations and minimize the environmental impact.



Toyota Tsusho Group's Environmental Policy

- 1 As a responsible corporate citizen, we work to reduce impact on the environment, conserve energy, recycle resources and eliminate environmental pollution, while placing a high priority on not disturbing the global environment in conducting business.
- 2 We promote environment-related businesses, such as the efficient use of waste and the preservation of natural resources, and contribute to the realization of a recycling-oriented economy and society in collaboration with our affiliates and business partners.
- 3 We comply with all environmental requirements, including environmental laws and regulations and industry guidelines.
- 4 We participate in activities to reduce impact on the environment by establishing an environmental management system and continue to improve these activities through periodic review and the application of creative ideas.
- 5 We enhance environmental awareness among directors and employees by providing environmental training and promoting a thorough understanding of our environmental policy.

Environmental Efforts in Global Business Activities

The Toyota Tsusho Group is focusing on promoting environmental businesses as we carry out our businesses globally. We regard the undertaking of businesses in harmony with society and the environment and creating new businesses that contribute to the global environment as vital management issues. Accordingly, the Toyota Tsusho Group is actively addressing issues based on a host of environmental themes in both manufacturing and non-manufacturing-related domains.

In our investment and marketing activities, we cooperate with excellent partners to contribute to the creation of a sustainable society, carrying out business activities to preserve and prevent adverse impacts on the environment as well as actively undertaking business for the realization of a recycling-based society through the framework of the Toyota Tsusho Group Conference on the Global Environment.

Moreover, in our day-to-day business and production activities, we are promoting environmental management programs via each individual organization within the Group. To this end, all members of each respective organization act with an environmental awareness and put this awareness into practice to contribute to the Company in areas ranging from separating and reducing garbage to creating environmental businesses through energy and resource conservation.

The Toyota Tsusho Group is working to expand the number of domestic and overseas Group manufacturing and sales companies obtaining ISO 14001 under a single global registration. In April 2006, Toyota Tsusho integrated its management with that of Tomen Corporation. Looking ahead, we will strive to maximize the synergistic effects of this integration at the environmental management level as well.

From a global perspective, environmental pollution in a distant country can become a major problem, destroying the ecosystem and having adverse effects on other countries as well. Cooperating with customers, procurement sources and subcontractors, we make daily efforts to maintain a sound environment for our irreplaceable Earth.



Nobuhiko Sahara
Executive Vice President
Environmental Management
General Supervisor

■ Toyota Tsusho Group Environmental Goals and Targets	
Reduce Environmental Risks	<ul style="list-style-type: none"> • Aim for complete elimination of environmental accidents and environmental pollution • Aim for complete elimination of environmental accidents and occupational disasters during work operations • Promote the attainment of ISO certification at car dealers • Respond to the European End-of-Life Vehicles (ELV) Directive and the Restriction of Hazardous Substances (RoHS) Law
Business Process Improvements	<ul style="list-style-type: none"> • Realize paperless operations • Standardize business processes
Logistics Improvements	<ul style="list-style-type: none"> • Promote returnable packaging processes • Expand use of returnable racks • Implement cost-reduction activities • Aim for efficient deliveries by consolidating warehouses • Reduce dead stock • Reduce frequency of transportation of separate packaging mast for forklifts • Make improvements through relay logistics
Sale of Environment-friendly Products	<ul style="list-style-type: none"> • Gather information on and actively respond to environmental loads • Contribute to preservation of the global environment by expanding CVT* • Sell used vehicle components • Build proper disposal routes for scrapped vehicles (ELVs) • Sell hybrid vehicles • Export liquefied petroleum gas (LPG) vehicles • Sell new-model air-jet looms • Sell wind power generators • Expand sales of mini-hydropower plants • Simplify and systemize responses for surveying environmental load substances • Reduce lead-free soldering and expand sales of pressure furnaces • Expand business for reusing recycled PCs • Plan, develop and sell dedicated short range communication (DSRC) parking lot systems • Expand sales of tools for responding to the revised Energy Conservation Law • Expand sales of small-motor driven vehicles • Sell regeneration burners • Commercialize business for visible-light responsive photocatalysts • Sell products made from recycled PET bottles • Sell recycled plastics (PP) • Promote recycled paper products

* Container Vanning Technology
This process secures packages during container transport, which involves the use of returnable pallets and utilizes simple packaging without using wood materials.

Environmental Management System

Having obtained ISO 14001 certification in 2000, Toyota Tsusho continues to reduce environmental loads and prevent environmental pollution while constantly improving these initiatives by utilizing an environmental management system in its business

operations. These environmental activities have become firmly entrenched in tandem with the Company's growth and have played an important role in the creation of new environmental businesses, while being of benefit to society.

Environmental Management Organization and Structure

As a noteworthy feature, the Toyota Tsusho Group's environmental management system covers all internal organizations, including branches and offices. With environmental leaders from each organization, department and Group company functioning as the nucleus of activities, all employees working within these organizations participate in various activities that address environmental

issues in daily business operations.

We also operate the PDCA (Plan-Do-Check-Action) cycle, with each management cycle being six months. Toyota Tsusho is undertaking a variety of improvement activities under the strong leadership of the environmental leaders of each organization.

Members of the Conference on the Global Environment

- Environmental Management General Supervisor
- Environmental Management Representative (Director in charge of Environment & Safety Management Department)
- Chief Division Officers
- General Managers of Planning Department of respective divisions
- General Manager of Risk Management Department
- General Manager of Personnel and General Affairs Department
- Environmental Management Representatives at Toyota Tsusho Group companies
- General Manager of Environment & Safety Department

Organizational Structure

With the participation of every employee, all Toyota Tsusho Group domestic offices undertake ISO 14001 activities at all offices, including branches. Although the size of their organizations vary from large to small, 47 domestic and 54 overseas Group companies are undertaking activities to secure ISO 14001 certification. Internal auditing under the environmental management system utilizes checking functions whereby appointed internal auditors perform mutual audits for each organization twice a year.

At the 9th Conference on the Global Environment, we were able to confirm the contents and status of responses for matters pointed out by internal auditing and investigation bodies, responses to environmental loads and environmental changes resulting from integration with Tomen, and notifications concerning revisions to

laws and ordinances, as well as matters required by customers and industry.

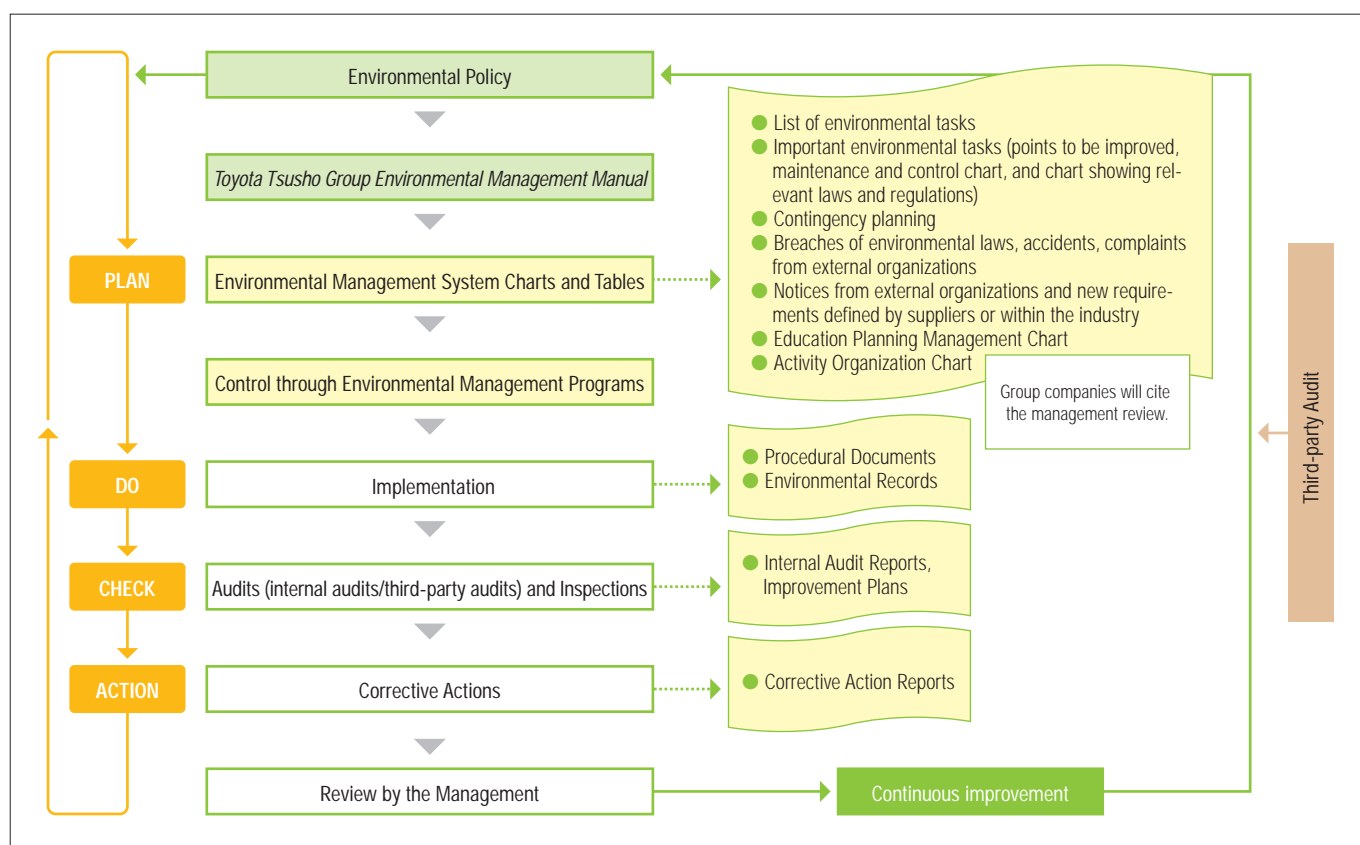
The Environmental Management General Supervisor ordered the combining of environmental management systems accompanying the aforementioned organizational integration and the promotion of initiatives to obtain ISO 14001 certification by utilizing the leadership of environmental leaders.

Role

Environmental activities are undertaken with the general managers of each division as well as the managers of domestic branches and offices serving as environmental leaders, while representative directors of each Group company function as environmental management general supervisors.



Overview of Environmental Management System



The *Toyota Tsusho Group Environmental Management Manual*, which is based on our environmental policy, stipulates the formulation of an overview chart for our environmental management system. In this overview chart, from various environmental issues, we have prepared a list satisfying required categories of ISO 14001 criteria. These include identifying laws and regulations, identifying contingencies, selecting matters for continuous monitoring, evaluating organizations and structures and compliance with laws and regulations, education management (purpose of education objectives and evaluation of abilities), environmental accidents, complaints from external organizations and audit results.

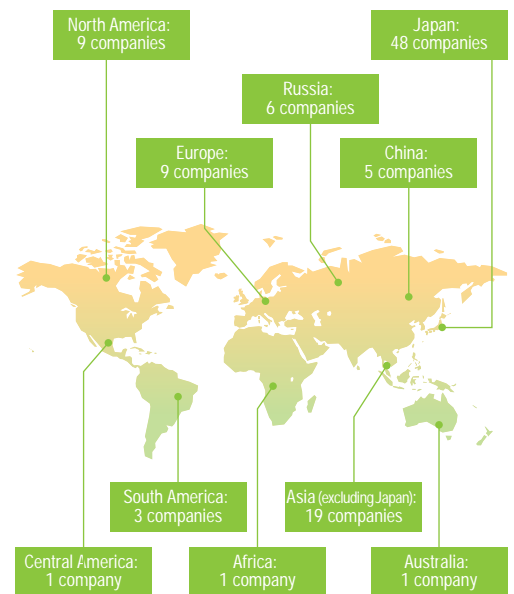
This list enhances efficiency by obviating the need for preparing nonessential materials for the implementation of the environmental management system.

Progress Made in Single Global Registration to ISO 14001

The Toyota Tsusho Group is currently working to acquire ISO 14001 under a single global certification. By unifying our environmental management systems for the entire Group, we aim to promote more efficient and highly effective environmental management.

The above-mentioned activities are aimed at fulfilling our social responsibilities as a Toyota Group company. Additionally, these activities are intended to firmly put into place a management system—a required category of ISO 14001—covering the entire Toyota Tsusho Group as well as each Group company, department and individual employee, along with a “spiral-up” management system with a management cycle (PDCA) that passes through each of these levels of operation. The former Tomen Corporation obtained ISO 14001 certification in July 1999, while the former Toyota Tsusho secured the same certification in December 2000. In April 2004, both companies integrated operations and obtained ISO 14001 certification under a single global registration. The scope of this single registration includes 10 companies in the former Tomen Group and 72 companies in the former Toyota Tsusho Group. On an independent basis, 19 companies have obtained ISO 14001 certification.

Following their integration, Toyota Tsusho and Tomen now believe that unprecedented earnest initiatives are essential for addressing the question of how companies should be involved with society amid rising demand that companies fulfill their corporate social responsibilities. While putting such initiatives into practice, addressing various environmental issues will be extremely important.



(As of the end of June 2006. Includes companies that have acquired ISO certification independently)

Toyota Tsusho Group Companies That Have Acquired Single Registration to ISO 14001

Domestic

Toyotsu Tekkou Hambai Co., Ltd.
 Toyotsu Material Corporation
 Ecoline Corporation
 Toyotsu Syscom Corporation
 Toyotsu S.K. Co., Ltd.
 Vestech Japan Co., Ltd.
 Toyotsu Plachem Co., Ltd.
 Toyotsu Sekiyu Hanbai Co., Ltd.
 Toyotsu Energy Corporation
 Toyomac, Ltd.
 TOYOTSU-living Co., Ltd.
 Toyotsu Insurance Management Co., Ltd.
 Toyotsu Family Life Corporation

Care Port Japan Corporation
 Toyotsu Business Service Corporation
 Toyotsu Office Service Co., Ltd.
 Sunfeed Co., Ltd.
 Toyotsu Logistics Service Co., Ltd.
 Toyota Steel Center Co., Ltd.
 Oriental Steel Co., Ltd.
 Pro Steel Co., Ltd.
 Kanto Coil Center Co., Ltd.
 Aichi Kokan Kogyo Co., Ltd.
 Toyota Metal Co., Ltd.
 Toyotsu Hitetsu Center Corporation
 Toyotsu Recycle Corporation
 Toyotsu Engineering & Manufacturing Co., Ltd.

Toyotsu New Pack Co., Ltd.
 Tomen Techno Solutions Inc.
 TM Logistics Corporation
 Tomen Hotline Co., Ltd.
 Hot-Line International Transport Ltd.
 Tomen Plastics Corp.
 Tomen Chemical Co., Ltd.
 Eurus Energy Holdings Corporation
 Eurus Energy Corporation
 Tomuki Corporation
 Tomen Foods Co., Ltd.
 Ene Vision Corporation *1
 Toyotsu Auto Service Co., Ltd. *1
 Toyotsu Electronics Corporation *1

Overseas

Toyota Tsusho Korea Corporation
 Chen Tai Fong Co., Ltd.
 Toyota Tsusho Philippines Corporation *1
 Toyota Tsusho (Singapore) Pte. Ltd.
 TT Network Integration Asia Pte. Ltd. *1
 Toyota Tsusho (Malaysia) Sdn. Bhd.
 TT Network Integration Thailand Co., Ltd.
 TOYOTA LIBRA CO., LTD
 TT Techno-Park Co., Ltd. *1
 TTK LOGISTICS (THAILAND) Co., Ltd. *1
 Toyota Transport (Thailand) Co., Ltd.
 TT Assembly (Thailand) Co., Ltd.
 Industrial Tech Services, Inc. *1
 Toyota Tsusho America, Inc.
 Green Metals Inc.
 Millennium Steel Service, LLC
 Wingard Quality Supply, LLC

Korea	Maple Automotive Corporation
Taiwan	Toyota Tsusho Canada Inc.
Philippines	Toyota Tsusho Mexico S.A.
Singapore	Toyota Tsusho Argentina S.A. *1
Singapore	TTC Auto Argentina S.A. *1
Malaysia	Toyota Tsusho Metals Ltd.
Thailand	Toyota Tsusho U.K. Ltd.
Thailand	Stirchley Tech Service
Thailand	Toyota Tsusho Assembly Systems (U.K.) Ltd.
Thailand	N.V. Toyota Tsusho Europe S.A.
Thailand	Toyota Tsusho Praha
Thailand	Toyota Tsusho Logistics Czech *1
U.S.A.	Toyota Tsusho Africa Pty. Ltd.
U.S.A.	Toyota Tsusho (H.K.) Corporation Limited
U.S.A.	Toyota Tsusho (Shanghai) Co., Ltd.
U.S.A.	Toyota Tsusho (Guangzhou) Co., Ltd.
U.S.A.	Toyota Tsusho (Tianjin) Co., Ltd.

Canada	Toyota Tsusho (Dalian) Co., Ltd.
Canada	Beijing Office
Mexico	Shenyang Office
Argentina	Halpin Office
Argentina	Dalian Office
U.K.	Guangzhou Office
U.K.	Chunking Office
U.K.	Yantai Office
U.K.	Tsingtao Office
Belgium	Urumqi Office
Czech	Changchun Office
Czech	Toyota Adria d.o.o *2
South Africa	Toyota Croatia d.o.o *2
Hong Kong	Toyota Srbija I Crna Gora d.o.o *2
China	JV Business Car Co., Ltd. *2
China	Toyota Tsusho Vostok Auto Co., Ltd. *2
China	Toyota Tsusho Kazakhstan Auto LLP *2

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Kazakhstan

*1 Acquired in fiscal 2005

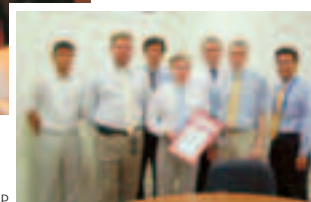
*2 Acquired in fiscal 2006

Obtaining Certification for Automobile Dealers

Six automobile sales companies in Russia, Kazakhstan, Slovenia, Croatia and Serbia, as well as sales outlets operating under these companies, have obtained ISO 14001 certification. In the future as well, we will maintain our policy of obtaining this certification for car dealers in carrying out environmental preservation activities on a global basis.



ISO 14001 presentation and reception ceremony held in June 2006



Toyota Tsusho Kazakhstan Auto LLP

Companies Obtaining Certification Independently

Japan
Toyota Chemical Engineering Co., Ltd.
Towa Sewing Co., Ltd.
Tastumura Textile AI Co., Ltd.
TOMEN ELECTRONICS CORPORATION
TOMEN DEVICES CORPORATION
Daitoh Kasei Co., Ltd.*

* Acquired in fiscal 2005

Overseas	
Ark, Inc.	U.S.A.
Most, Inc.	U.S.A.
Comercio de Veiculos Toyota Tsusho Ltd.	Brazil
P.T. Toyota Tsusho Indonesia	Indonesia
Toyota Lakozy Auto Private Ltd.	India
Steel & Logistics Centre Private Ltd.	India
Tomen (Singapore) Electronics Pte. Ltd.	Singapore
Tomen Electronics (Hong Kong) Ltd.	Hong Kong
Toyota Tsusho (Thailand) Co., Ltd.	Thailand
Toyota TC Hanoi Car Service Corporation	Vietnam
Toyota Tsusho Budapest KFT	Hungary
Toyota Tsusho Euroleasing Hungary KFT	Hungary
Toyota Tsusho (Australasia) Pty. Ltd.	Australia

Results of Internal and Third-party Audits (Toyota Tsusho and Group Companies)

The tables below show the results of internal audits and third-party audits conducted in Japan during fiscal 2006. Environmental management activities at the Toyota Tsusho Group are undertaken in accordance with our policy to obtain ISO 14001

under a single global registration. The results of these internal and third-party audits are disseminated throughout the entire Group to achieve continual improvements and augment Group strengths.

Audit Results

Number of cited shortcomings by internal audits (cases)			Number of cited shortcomings by third-party audits (cases)		Number of cited shortcomings by third-party audits (cases)	
Items	June 2005	November 2005	July 2005 Audit	Improvement Opportunities	December 2005 Audit	Slight non-conformity
Environmental Aspects	2	11	Environmental Aspects	—	Environmental Aspects	1
Legal and Other Requirements	1	22	Legal and Other Requirements	—	Legal and Other Requirements	2
Aims, Objectives and Implementation Plans	7	—	Aims, Objectives and Implementation Plans	—	Aims, Objectives and Implementation Plans	—
Ability/Education/Training/Awareness	5	21	Ability/Education/Training/Awareness	—	Ability/Education/Training/Awareness	1
Operational Management	1	6	Operational Management	1	Operational Management	2
Evaluation of Compliance	—	3	Evaluation of Compliance	—	Emergency Preparations and Response	2
Corrective Measures	—	5			Establishment of Procedures	1
					Evaluation of Compliance	—
					Corrective Measures	3
					Internal Audits	—
					Others	1
					Lateral Implementation of Good Examples	—
Total cases cited	16	68	Total cases cited	1	Total cases cited	13

Environmental Education

Basic Education for New Employees

We implement group education when new employees enter the Company and this fosters a deeper understanding of our environmental management system, beginning with environmental policies, and raises awareness of environmental preservation.

Study Meetings at Group Companies

With growing awareness of the importance of the Earth's environment, the Toyota Tsusho Group considers various ways to help protect the environment from the perspectives of our business activities, products and services.

We held study meetings within individual internal organizations and at Toyota Tsusho Group companies based on themes that consider environmental laws and regulations and new environmental businesses. A total of 40 people from 30 Group companies participated in these study meetings.

Environmental Education upon Job Assignment

After being assigned to a specified position at a work site, employees receive education to foster a self-awareness of themes for individual responses to environmental issues.

Top Management Training

Top management participates in workshops that feature outside lecturers and that focus on the efficient operation of environmental management systems.

Internal Auditors Training

After auditors acquire basic skills in auditing, internal auditors training is carried out in May and October. (A total of 170 people attended this training in fiscal 2005.)



Top management workshop (June 2005)



Workshop on laws and regulations for Toyota Tsusho Group companies (July 2005)

ISO-NET

We use ISO-NET, an intranet, as an environmental management system bulletin board for sharing information by posting materials regarding environmental initiatives of organizations that encompass Toyota Tsusho and domestic and overseas Group companies. Of particular note, the status of activities of other departments can be ascertained via ISO-NET, thereby facilitating vertical implementation of these activities.



The Machinery & Electronics Division holds monthly environmental conferences and carries out tours of wind power generation sites (July 2005)

Environmentally Sound Business Activities

Investments and Environmental Checks

In making new investments in businesses, we emphasize inspections to ascertain the environmental impact from a risk management perspective. Especially notable, we have begun making checks based on survey guidelines for engaging in land-related transactions as well as initiatives to prevent pollution as part of an environmentally sound approach when constructing new plants. We proceed with businesses based on the assumption that there are no environmental-related problems.

Environmental Conservation for Site Operations

We ask our procurement sources to make thoroughgoing environmental conservation efforts, which are also demanded by our customers. When carrying out safety patrols for work performed at the idle plants of customers, we use an Environmental Conservation Check Sheet to make surveys and confirm that work operations do not adversely effect the environment and also carry out meticulous management to ensure that waste materials generated at site operations are disposed of properly.

Environmental Awareness Month

June is the national campaign month designated to promote environmental activities. The "Toyota Environmental Poster" was distributed to Toyota Group companies to cultivate environmental awareness among employees. We requested management take the lead in awareness cultivation campaigns, and they posted a notice on bulletin boards to ask employees to cooperate in promoting garbage separation and reduction and to take part in various measures designed to counter global warming as well as eco-drives directed toward raising environmental awareness.

Toyota Tsusho Group Compliance with Environmental Laws and Regulations

The following list shows environmental laws and regulations relevant to our business operations.

Energy Conservation Law, Law Concerning the Promotion of the Measures to Cope with Global Warming, Waste Management Law, Law for the Recycling of End-of-Life Vehicles, Law Concerning Recycling of Materials from Construction Work, Law for the Recycling of Specified Kinds of Home Appliances, Food Recycling Law, Law for Promoting Efficient Use of Resources, Law for Promotion of Sorted Collection and Recycling of Containers and Packaging, Pollutant Release and Transfer Register (PRTR) Law, Law Concerning the Examination and Regulation of Manufacture, etc. of Chemical Substances, Law Concerning the Recovery and Destruction of Fluorocarbons, Ozone Layer Protection Law, Law Concerning Special Measures Against Various Types of Dioxins, Law Concerning Special Measures Against PCB Waste, High-Pressure Gas Safety Law, Poisonous and Deleterious Substances Control Law, Fire Service Law, Food Sanitation Law, Agricultural Chemical Control Law, Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, Environmental Assessment Law, Landscape Law, Plant Location Law, Invasive Alien Species Act, Industrial Wastewater Law, Soil Contamination Countermeasures Law, Air Pollution Control Law, Law Concerning Special Measures for Total Emission Reduction of Nitrogen Oxides and Particulate Matter, Odor Regulation Law, Noise Regulation Law, Vibration Regulation Law, Water Pollution Control Law Sewerage Law, Household Wastewater Treatment Facility Law, Waste Management and Public Cleansing Law, Industrial Safety and Health Law, Other regulations enforced by prefectural and municipal governments.

Approach to Reducing Environmental Loads at Business Offices

Global Warming Countermeasures			
All Domestic Offices	FY2003	FY2004	FY2005
Energy consumption (thousand kWh)	5,240	5,589	5,891
CO ₂ emissions (t-CO ₂)	2,000	2,133	2,249

CO₂ emissions coefficient: 0.3817kg-CO₂/kWh

Offices covered: Head offices (Nagoya, Tokyo); branches (Osaka, Toyota, Kariya, Hamamatsu, Hokkaido, Tohoku, Niigata, Hokuriku, Hiroshima, Kyushu); sales offices (Matsumoto, Mishima); sub-branches (Hino); office (Miyata)

All Domestic Offices	FY2003	FY2004	FY2005
Waste material emissions (t)	150	177	150
Converted to resources (t)	113	133	106
Final disposal (t)	38	44	43
Resource conversion rate (%)	75	75	71

Office covered: Nagoya Head Office

Energy Conservation

We work to conserve energy at our offices through measures that include adjusting air conditioning temperatures upwards in offices during summer months by promoting "Cool Biz" attire and ensuring that OA devices are turned off during lunch hours and when employees return home. We are also reducing CO₂ emissions by lowering the amount of incinerated waste materials as well as using recycling boxes to raise resource conversion rates. Additionally, we are raising employee awareness regarding environmental loads and expect our energy conservation efforts to yield results.

External Communication

We were not involved in any environment-related accidents or violations of laws and ordinances nor did we receive any complaints. We also cooperated in environment-related research with external research institutes and entities that also included participation by individuals.

* Environment-related participating bodies: Japan Foreign Trade Council Earth Environment Committee, Green Procurement Network, Environment Policy Committee (EPOC)

TOPIC 01 | Environment and Energy Conservation Solutions Business

Environment and Energy Conservation Solutions Business (Cogeneration) for Plants



In Japan and overseas, Toyota Tsusho is actively involved in business that helps customers reduce energy consumption at their plants as well as lower the environmental impact of their plants. In 2002, we established Ene Vision Corporation to provide cogeneration systems that enable customers in Japan and overseas to cut total usage of electricity and heat energy and to offer an unprecedented value chain in this field, with services ranging from consulting prior to introduction to installation and operational maintenance. Ene Vision currently

provides services to more than 60 client companies. As a notable approach of this cogeneration business, we emphasize taking a medium- and long-term perspective and utilizing long years of accumulated know-how in business transactions when making proposals for improvement measures suited to the circumstances of each customer's energy consumption and environmental load.

Voice of Person in Charge

Manufacturing industries have begun to place top priority on measures to protect the environment and prevent global warming. As a trading company, we regard our mission as contributing to the Earth's environment, and we do this by gathering the latest information from a global perspective and cooperating with manufacturing industries.



Masashi Ikuta
Machinery Dept.,
Environmental Business Group

Voice of Person in Charge

In October 2005, revisions were made to the Printing and Information Guidelines of the Law for Promoting Green Purchasing. Previously, these guidelines referred only to used paper, but the revisions now place such agricultural byproducts as bagasse on the same level as used paper. Bagasse is a truly environmentally sound product because it is produced using the ECF (elemental chlorine free) method, which uses no chloride that causes dioxin emissions, and because it also enables effective resource use. Through widespread usage, I believe bagasse pulp can play an important role in supplementing wood pulp and used paper.



Yoshitaka Oshima
Tomen Chemical Co., Ltd.

Bagasse Paper | TOPIC 02

Promoting the Diffusion of Bagasse Pulp to Reduce Harvesting of Natural Materials

Bagasse is the remaining fibrous residue from sugarcane remaining after the extraction of sugar juice and is regarded as an outstanding agricultural byproduct (biomass resource). With over 100 million tons generated annually worldwide, bagasse is used as a fuel mainly at sugar mills. However, much of this is not used effectively, as large amounts of surplus bagasse are abandoned or discarded. High-quality paper on par with that produced from wood pulp can be manufactured using bagasse pulp. On the occasion of the startup of operations of a modern bagasse pulp plant in Thailand with an annual production capacity of 100,000 tons, at the beginning of 2006 Tomen Chemical Co., Ltd. began importing and selling bagasse pulp while also manufacturing and selling bagasse paper. While working toward the effective use of resources, we will strive to promote the wider utilization of bagasse pulp and bagasse paper, thereby reducing the harvesting of natural materials. In doing so, we are aiming to preserve the environment and contribute to the prevention of global warming.



Source: Non-Wood-Based Paper Promotion Council

TOPIC 03 | Wind Power Generation

Wind Power Attracting Attention as Next-Generation Energy Substitute for Fossil Fuels



In 2002, Toyota Tsusho inaugurated its wind power business as a mainstay business within its environmental business. Toyota Tsusho is involved in all aspects of the value chain, including ground excavations, wind condition surveys, equipment procurement, installation adjustments, power generating operations and maintenance. We have actively undertaken a number of world-first trials and contributed to the introduction of wind power generation in Japan. These achievements include installing wind power generating facilities near the

ocean in Setana Machi in Hokkaido, supplying wind power to the Toyota Group Pavilion at the 2005 World Exposition, Aichi, Japan and engaging in a wind power business in a national park. Toyota Tsusho currently supplies approximately 27%* (about 250,000 KW) of all wind power supplied in Japan.

* Results for fiscal 2004

Voice of Person in Charge

I feel very fortunate to be given an opportunity to contribute, even in a small way, to the current global trend toward environmental protection through our wind power generation business. At the same time, I have a strong sense of social responsibility in undertaking this business. Because it involves working with nature, the wind power generation business is extremely challenging, which makes this business rewarding.



Takahiro Miyamoto
Tokyo Machinery Dept.,
Project Management Group

Voice of Person in Charge

Despite soaring crude oil prices in recent years, demand for crude oil is expected to grow globally. Also, as global warming progresses, natural disasters are increasing. I believe we can help solve these problems by utilizing such plants as sugarcane, which can be cultivated on a yearly basis. A real source of motivation for me is visualizing how this approach will allow us to pass on a healthy Earth to our descendants.



Shinichi Sato
Business Development Dept.,
Bio-Business Office

Bioplastics | TOPIC 04

Contributing to Society through Bioplastics

Plastic is a valuable and indispensable material that benefits people in all areas of their lives. For example, the use of plastic enhances food hygiene and preservation and also enables fuel savings as a result of weight savings in automobiles. Nonetheless, plastic is manufactured using petroleum, and thus the use of plastic requires the consumption of a limited resource. Moreover, the incineration of used plastic products results in CO₂ emissions, leading to global warming. To address these problems, we are focusing on plastics that use plant resources, which can be produced repeatedly, as raw materials (bioplastics). We have begun supplying bioplastics for use in automobiles, household consumer electronics, agricultural industries and as food wrapping materials.

Through photosynthesis, plants absorb carbon dioxide in the air, synthesize carbohydrate substances and release oxygen. Since absorbed carbon dioxide is one of its raw materials, bioplastics do not increase global CO₂ emissions and can be perpetually consumed and produced. As we tackle an array of social issues, including those related to the environment, we will work toward the production, sales and diffusion of bioplastics, which have a minimal environmental load, as we contribute to society.

Social Responsibility Report

Approach to Safety

As our approach to occupational safety and health, we recognize that a thorough emphasis on safety based on respect for people has a positive impact on both the quality of work and our business activities. While strictly adhering to laws and regulations, each Toyota Tsusho employee actively participates in a variety of autonomous safety- and health-related activities.

Toyota Tsusho Group's Policies on Safety and Health

Principle

The Toyota Tsusho Group recognizes that from the perspective of corporate ethics, the safety and health of employees represents the foundation of all its business activities as a company. With this in mind, we undertake safety- and health-related activities that are intricately woven into our business activities to ensure a safe and comfortable working environment for our employees.

Policies

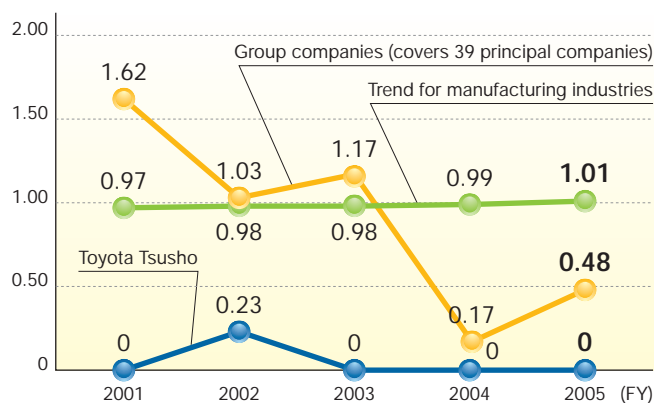
1. Recognizing that good communications are paramount for ensuring safety and health, top management places a high premium on dialogue with employees.
2. While strictly adhering to relevant safety and health laws and the internal workplace business rules and procedures of our customers, we have established our own essential autonomous standards, as we work to raise the level of our safety and health management.
3. We utilize occupational safety and health management systems and work to continually improve and maintain these systems as we aim to raise safety and health levels.
4. To promote safety and health activities at all companies throughout the Toyota Tsusho Group, we will establish the necessary organizations and structures and clarify the locations of responsibilities.
5. To progress with the creation of comfortable and healthy workplaces, we will provide all employees with sufficient and necessary education for ensuring their safety and health.

In the five years since we commenced specific safety activities, work stoppages have been trending downward every year, with the number of work stoppages in fiscal 2005 totaling three. We will implement thorough safety management in our regular and non-regular work operations as we strive to totally eliminate all accidents.

Specific Categories

- (1) Prevention of occupational disasters and accidents
- (2) Raising safety and health management levels

■ Trends in Work Stoppage Rate (%)



* Work stoppage rate = number of work stoppage incidents / total working hours x million working hours
Reference

Ministry of Health, Labour and Welfare: Labor Statistics (2005)
All industries: 1.95 Manufacturing industries: 1.01



Safety Initiatives in Global Business Activities



Nobuhiko Sahara
Executive Vice President
Safety and Health
Management
General Supervisor

Toyota Tsusho recognizes that safety cannot be maintained without the deep involvement of top management. We have accumulated an abundance of know-how through safety management of work carried out at customers' sites and for materials and components delivered to customers, a business that Toyota Tsusho began approximately 20 years ago. Applying this know-how, all directors and employees of Group companies, beginning with Toyota Tsusho, strictly comply with relevant laws and regulations and actively carry out autonomous safety management activities.

Through the Toyota Tsusho Group Safety and Health Promotion Committee, we focus especially on ensuring that Group employees have a solid understanding of the importance of and act in accordance with three vital approaches to safety management, namely; emphasis on the basic principle of respect for all employees in the company; prevention of impediments to just-in-time production; and strengthening of our corporate structure via safety management.

Responding to the development of our businesses globally, in fiscal 2005 we gradually expanded the implementation of our Safety Management Training targeted at Group employees overseas and Local Safety Management Guidance for each Group company in Asia and Europe. We plan to further broaden the regions covered and will select and clarify responses to high-risk work operations in each business field while formulating global safety criteria for each field and accrediting so-called model plants for safety, as we work toward a "safety culture" on a global scale.

In undertaking business activities in Japan and overseas, people involved with the handling of utilized functions and roles of the Toyota Tsusho Group, including individuals at cooperating companies, are truly "irreplaceable persons." We recognize that our responsibility as a business operator is to create healthy and safe workplaces where people can perform their jobs with peace of mind, which means that safety must be promoted to the same level as a "corporate culture." With this in mind, we will continue promoting various safety initiatives.

In the future, we look forward to receiving the guidance and cooperation of relevant government administrative bodies, customers, suppliers and cooperating companies.

Promoting Business Activities with Consideration to Safety

We promote safety activities aimed at the complete elimination of occupational disasters and accidents. These activities cover work performed at the business sites of customers, products delivered to customers and the business activities of Group companies.

- *1 KYT: Danger prediction training
- *2 ABC monitoring: Carrying out stratified priority monitoring
- *3 MHLW: Ministry of Health, Labour and Welfare:
- *4 OSHMS: Occupational Safety and Health Management System
- *5 RST trainer: Rodosho Safety and Health Education Trainer

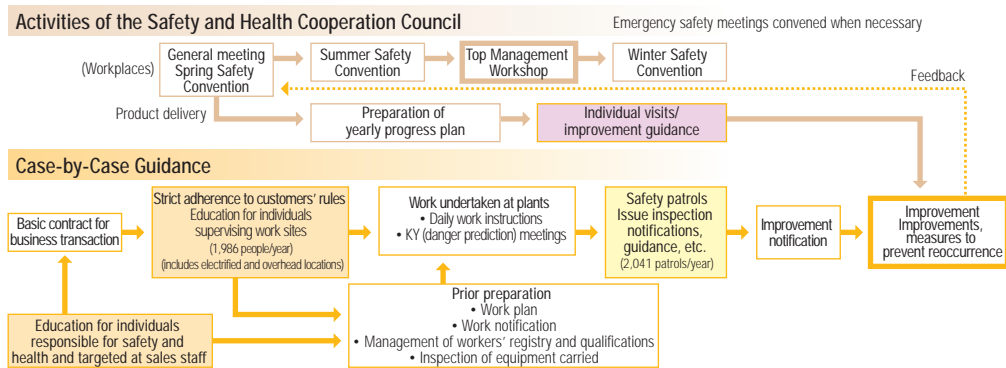
Status of Initiatives	Utilized Functions	Results (Fiscal 2005)
1) Safety and health management for work carried out at customers' sites and for products delivered to customers Safety record: Three accidents resulting in work stoppage (during work) (Two incidents in Kariya region) (One incident in Toyoda region)	1) Safety and Health Cooperation Council, organized activities (refer to Summary of Safety and Health Management Activities at Customers' Sites on page 32) 2) Provide education for on-site supervisors and education allowing employees to obtain qualifications, provide reeducation and workshops for on-site supervisors 3) Implement the statutory "Education for persons in charge of safety and health" for sales staff 4) Operate safety patrols at customers' plants 5) Support measures for preventing recurrences of rule violations and occupational disasters 6) Visit each supplier, make safety diagnosis 7) Hold "Overseas facilities installation work management training" for persons of sale departments in charge of work operations carried out overseas	<ul style="list-style-type: none"> • Organize suppliers, implement annual progress plan • Number of people completing education courses: 1,168 new completions in addition to 261 qualification renewals • "Skill enhancement education for persons in charge of work operations" held 24 times at Kariya: total of 708 people (175 companies) complete training • Number of people completing course: 40 (215 cumulative) • Number of safety patrols: 2,812 (124 citations) • Ongoing measure response • ABC monitoring*2 of suppliers implemented at 37 companies (Toyoda: 29 companies, Kariya: 8 companies) • Held in Toyoda, Tokyo, Nagoya, Osaka: attended by 26 people
2) Safety and health management at Toyota Tsusho Group (domestic) companies Safety record: Three accidents resulting in work stoppage Work stoppage incident frequency rate of 0.48 (39 companies covered)	1) Safety and Health Promotion Committee, organized activities <ul style="list-style-type: none"> • Build occupational health and safety management systems • Carry out activities to completely eliminate accidents at work sites (promotion of KYT*1 and other activities) • "Observation visits to sites taking model approaches to OSHMS": 12 companies 2) Plant safety diagnostics, citations and advice 3) Individual procedures and safety management support 4) Implement statutory supervisory foreman education for Group employees 5) Survey on the state of use of asbestos	<ul style="list-style-type: none"> • Implement activities under MHLW's*3 guidelines OSH-MS*4 (39 companies covered) • "Danger Prediction Education" training workshops held at 20 companies (attended by 22 people) • Plant safety diagnostics: implemented at 19 companies • Safety education, work operations monitoring implemented at 2 companies • Number of people completing course: 13 (112 cumulative) • Inspections implemented at 39 companies, of which 5 companies implemented response measures
3) Promotion of safety management at Toyota Tsusho Group (overseas) logistics and production bases	1) Safety and health management at Toyota Tsusho Group overseas Companies <ul style="list-style-type: none"> • Overseas Safety Management Training held • Local Safety Management Guidance implemented 2) Overseas Safety Management Training held in Japan 3) Individual procedures and safety management support	<ul style="list-style-type: none"> • Toyota Tsusho (Thailand) related: 23 people; TTESA/TTUK related: 22 people • TTTC related: 6 companies; TTESA-related: 6 companies; TTUK related: 2 companies • Molten aluminum business (9 people from 8 companies attended); tire attachment business (18 persons from 8 companies attended)
Cultivating and securing human resources	Specialist instructor responsible for all Toyota Tsusho operations: (10 cumulative)	<ul style="list-style-type: none"> • MHLW-registered RST trainers*5: (10 cumulative)

Overview of Work and Health and Safety Activities at Customer Sites

To prevent occupational disasters and accidents during work carried out at the workplaces of our customers and when delivering products, we formed the Safety and Health Cooperation Council*. The council's activities encompass an assortment of education and training such as regularly scheduled Safety Conventions in spring, summer and winter for parties carrying out this work, as well as the Top Management Workshop in autumn that targets top management of member companies and managers at Toyota

Tsusho. Additionally, the council strives to raise safety levels of member companies through mutual communication and safety patrol activities at work sites.

* To carry out safety and health management for work carried out at customers' sites and products delivered to customers, in each region we have established a Toyota Tsusho Safety and Health Cooperation Council, which brings together companies involved with facilities and work carried out at these workplaces.



Toyota and Kariya Delivery Safety and Health Cooperation Council Joint Top Management Workshop

Health and Safety Management at Toyota Tsusho Group Companies in Japan and Overseas

Organized Activities of the Safety and Health Promotion Committee

As part of the activities of the CSR Committee, we are promoting thorough occupational safety and health management targeted at suppliers and Group companies and aim to completely eliminate occupational disasters and accidents.



Toyota Tsusho Group Safety and Health Promotion Committee and General Meeting



KYT instructor workshop



Tour of model OSHMS implementation site



Presentation of examples of safety management and improvements

Safety and Health Management at Toyota Tsusho Group Overseas Logistics and Production Bases



Overseas Safety Management Training (Europe: TTESA, TTUK)



Overseas Safety Management Training (Thailand: TTC)



Japan group-based education: Logistics Business "Overseas Safety Management Training"



Metals investment business "Overseas Safety Management Training"

Human resource-related initiatives have always formed an integral part of our CSR activities. We believe we must further expand and develop these initiatives in connection with the realization of our Corporate Philosophy. Anticipating the ongoing diversification in the composition of our employees, we will continue to strive for the greater dissemination of and improvement to the frameworks, systems and environments utilized to the present.

Fulfilling Our Social Responsibilities to Employees

Principles concerning Employees

We aim to realize our management strategies, without being constrained by past experiences or preconceptions and based on the watchwords “place,” “product,” and “reality.” Accordingly, from the perspective of overall optimization, the Toyota Tsusho Group will employ, cultivate and advance employees who can cooperate and lead the way to an even better future.

Toyota Tsusho believes that the essence of its social responsibility is the attainment of its Corporate Philosophy. From the perspective of employees as well, we believe that promoting the creation of pleasant and people-friendly work environments and cultivating and invigorating the capabilities of employees in accordance with our Behavioral Guidelines is also a social responsibility. The following four points serve as the basis for creating personnel structures and work environments for our employees.

Key Points for Promoting CSR from an Employee Perspective

POINT 1 Build environments that allow employees to work with vitality.

To enable a company and its employees to realize continuous growth, it is essential to create workplace environments and systems that make employees' work rewarding and fulfilling. With this in mind, we are devising a number of measures to build such environments and systems.

POINT 2 Create frameworks for promoting constant and autonomous reforms and improvements.

We regard a company's responsibility as enabling employees to act voluntarily with an unceasing desire for pursuing reforms and improvements and self-initiative. Toyota Tsusho is building systems and frameworks that promote such actions.

POINT 3 Hire and cultivate human resources capable of anticipating changes in the environment.

Today's environment is evolving at a breathtaking pace. We believe that the ability to anticipate changes can stimulate creativity and enable added value to be provided throughout the world. For this reason, we intend to employ and cultivate human resources capable of anticipating change.

POINT 4 Promote teamwork with an eye toward overall optimization as an organization.

While maintaining respect for individuals, we also recognize the limitations of acting individually and are thus determined to create an organization that enables overall optimization. To do so, promoting teamwork underpinned by mutual respect for people's differences is essential.

Human Rights

The advance and rising awareness of CSR within industry has centered on initiatives for environmental management and compliance with laws. However, CSR cannot be established without also incorporating the perspective of human rights. To prevent sexual harassment and harassment due to the abuse of power as well as hiring and evaluation discrimination based on nationality, gender, age, disabilities and religion, Toyota Tsusho's approach focuses on both tangible and intangible areas that include nurturing employee morals and ethics and establishing necessary systems and frameworks.

The globalization of business has been accompanied by a dramatic increase in opportunities to work together with a diversity of people worldwide. Within the global supply chain, while paying close attention to labor management and respecting the cultures and lifestyles of people in different countries, we believe that creating self-regulating rules in each country in the area of human rights is an urgent task.

Sexual Harassment and Human Rights Seminars

To maintain a working environment where all employees can sufficiently utilize their capabilities without any hindrance of their human rights, we hold seminars on sexual harassment. Concurrently, we provide enlightenment on the importance of mutual respect and avoiding discrimination based not only on gender but also on race, religion, age and nationality.

Relationships with Employees

1) Establishment of Internal Environment

Toyota Tsusho works to establish an internal environment that enables employees to work with vitality and provides for their overall well-being. As part of these efforts, all business offices feature completely separate smoking sections. At our head office in Nagoya, we have set up smoking rooms with ventilation routes separate from the regular air-supply system and are moving ahead with the adoption of smoking countermeasures based on advice from industrial physicians to prevent non-smokers from inhaling secondhand smoke.

2) Improvements

Along with efforts of individual employees to make improvements in their daily work, Toyota Tsusho has introduced a proposal system under which improvement proposals are widely solicited throughout the Company, with submitted proposals utilized for Company-wide improvements. We augment this system with a commendation system that was introduced in fiscal 2001 to recognize organizations and individuals for their efforts to realize Toyota Tsusho's corporate vision. Award categories include the Head Office G'V (G'Value) Award, Synergy Award, Qualification Receipt Award, Off-site Award and the Social Contribution Award. Through the building of such systems, we are creating a corporate culture that encourages the pursuit of improvements throughout the entire Company.

3) Overall Optimization

We emphasize "overall optimization" in all personnel-related systems from hiring to staff rotation and assignment, employee performance evaluation and education systems, and as a result, the concept of "overall optimization" is spreading throughout the Company as part of our corporate culture. Since Toyota Tsusho exists as an organization, rather than focusing on individual performance, "overall optimization" is thus based on empirical rules such as the ability to effectively make stable achievements via mutual cooperation among multiple organizations and individuals to offer stakeholders even higher added value. We believe this stance emphasizing "overall optimization" will continue to be shared as one of Toyota Tsusho's basic values in the future as well.

Message

Steel Bar & Wire Rod Group No. 2, Steel Bar, Wire Rod, Pipe & Construction Material Department, Metals Division ● Junko Minowa

With the separation of spaces for smoking, non-smokers are now able to concentrate on their work, free from stress over concerns about the harmful effects of smoke. Separating facilities in this manner has also eliminated the annoying task of disposing of cigarette butts and ashes, and our entire workplace is now clean.



Personnel Systems

1) Performance-based System

Toyota Tsusho compensates employees based on performance without bias to gender, age and nationality. In 1999, we introduced an annual salary review system for directors and SK-level (general manager class) employees, and in 2000 introduced this system for K-level (assistant manager) and L-level (section chief) employees. The introduction of these performance-based personnel systems has helped raise employee motivation.

2) Challenge Rotation/Open Entry System

Toyota Tsusho has introduced job rotation systems under various titles. Challenge Rotation is a job-posting system covering employees who have been handling the same job for five years or longer. Challenge Rotation involves the presentation of a specific plan for an employee's desired job posting, and these employees are given preference over regular applications for desired job rotations. Open Entry is a so-called internal open recruitment scheme whereby applications for desired positions are maintained with strict confidentiality until a job rotation is confirmed.

This system enables departments to meet their personnel needs, while employees can find a position of their choice. Both the Challenge Rotation and Open Entry systems are implemented from the perspective of utilizing and cultivating human resources within the framework of overall optimization.

3) Hiring

Toyota Tsusho's hiring activities avoid discriminatory filtering by gender, age, nationality or the existence of disabilities. We consistently undertake recruiting activities based on whether or not an individual's skills and/or motivation coincide with the position Toyota Tsusho seeks to fill. In parallel, we work to ensure that the Company serves as a place where each person can express their own character.

Human Resources Development

Basic Stance on Human Resources Development

Toyota Tsusho implements a diverse array of training programs with the aim of cultivating human resources capable of anticipating changes in the environment as well as executing plans. Through these training programs, while raising the skill levels of individual employees, Toyota Tsusho focuses on cultivating personnel capable of sharing information within the framework of organizations and cooperating from the perspective of overall optimization.

Main programs include the Manager Cultivation Program, which aims to nurture the necessary management skills and mindset; G'V INNOVATION 21, which strives to cultivate an entrepreneurial mindset that leads to proposals for new businesses; and rank-based group training, which strives to foster a shared awareness of problems from the perspective of overall optimization. For younger-age employees, we have established Practical Knowledge Training and set up courses for studying business frameworks. At the same time, to support self-education and enlightenment by employees, we subsidize course fees for correspondence courses and for outside schools.

Overseas Foreign Language Study

Toyota Tsusho provides education to cultivate employees capable of anticipating needs arising from businesses activities. A prime example of such education is the Overseas Foreign Language Study System. Following one year of language study at an overseas university or language school, participating employees undergo approximately three months of practical training under the guidance of a representative stationed at the local overseas office or subsidiary. Thus, this system functions as a program that not only offers language study opportunities, but also enables participants to experience local customs and cultures. It serves as a highly effective system for cultivating staff who will be posted overseas and also plays an important part in promoting career development and rotations for individual employees.

Message

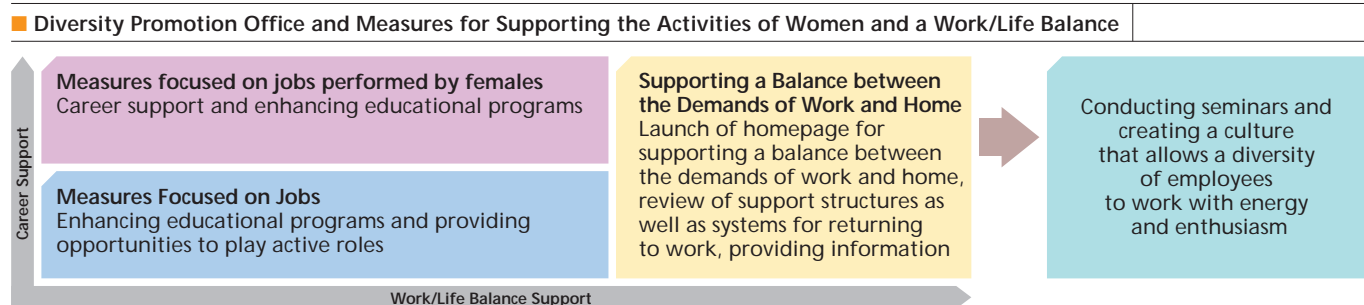
Toyota Tsusho (Shanghai) Co., Ltd. ● Takamitsu Matsui

With a view toward the future growth and development of China, I applied to the Overseas Foreign Language Study System and subsequently studied abroad in China for approximately one year from September 1997. During my study period in China, I not only became proficient in the Chinese language, but also acquired a great deal of other knowledge through my contact with Chinese culture and interaction with people from other industries. I presently work in the Business Planning Department at Toyota Tsusho (Shanghai) Co., Ltd., our largest base in China, with a national staff of 250 and that oversees seven branches covering a region from Chengdu to Tsingtao. I believe that communication with the staff of these branches is essential from the perspective of efficient operation of each branch as well as for ascertaining locally based viewpoints. In doing so, using Chinese to mutually understand each other's work and to facilitate smooth conversation is extremely important and enables deeper understanding. Of course, the experience of studying abroad will never be a mistake. Particularly since this is the year of the integration of Toyota Tsusho and Tomen, which both have different corporate cultures, I am determined to do my best in working in unison with all staff to create an even better company.



Creating Value through Diverse Human Resources

On April 1, 2006, we established the Diversity Promotion Office within the Human Resources & General Affairs Department, with the aim of creating value through diverse human resources, beginning with female employees. To nurture the abilities of its female staff, Toyota Tsusho has previously provided an array of educational opportunities that have included training according to job levels as well as skill enhancement training. To address an aging society with declining birthrates, we are progressing with the creation of people-friendly workplaces for a diverse scope of employees, while further utilizing employees possessing a wide assortment of values, ideas and skills to flexibly respond to a multitude of customer needs. As the start of these initiatives, we will first focus on supporting the activities of female employees.



Initiatives for Child Care, Nursing Care and Protection of Motherhood

Toyota Tsusho provides support for achieving a balance between work and home life and strives to create environments where employees can perform their work comfortably and with peace of mind. In the future, we will continue working toward the establishment of environments that allow employees to easily utilize various support systems.

Child-Care Leave System

Female employees can take child-care leave until their child reaches two years of age and can also utilize a child-care flextime system (work a minimum of 4 hours per day) until their child reaches three years of age. Employees with pre-elementary school-age children are allowed five days of child nursing care leave per year.

Nursing Care Leave System

Employees with a family member requiring nursing care can take nursing care leave up to one year for each person in the family needing such care. We have also introduced a nursing care flextime system.

Workplace Development and Support for Employee Activities

In addition to establishing support systems and structures, we also support the autonomous activities of employees. This includes support of off-site meetings of employees who are mothers and the holding of one-year, continuous-type training aimed at "cultivating human resources who can proactively contribute to organizations while utilizing their individual characteristics." Through these measures, we strive to create workplaces that are rewarding for employees.



Active promotion of career training



Meeting of employees who are mothers for a picnic at Kasal Rinkal Park



Diversity Promotion Office

Initiatives for Senior Citizens

To address the aging of society, Toyota Tsusho is also focusing on creating friendly workplaces for senior citizens. To this end, in April 2006, we introduced a new system for reemployment after employees reach the mandatory retirement age. This system provides opportunities for employees who have reached mandatory retirement to work in the positions of Super Advisor and Advisor. By introducing this system, we are actively promoting the effective use of knowledge, human networks and technical capabilities cultivated by these employees during their years at the Company.

Health Management

1) Countermeasures against Overtime Work over Long Periods

To ensure that employees can work with a sense of well-being, Toyota Tsusho makes efforts to promote the health management of its employees. In keeping with these efforts, we introduced a work monitoring system for ascertaining the working hours of all employees. Under this system, we require employees working overly long hours to meet with an industrial physician and also provide these employees with information and advice on health management and maintenance.

2) Regular Health Examinations and Mental Health Measures

We provide annual health examinations for all employees, check-ups for adult diseases for employees aged 30 and above, and health checks for employees posted overseas prior to their departure and upon their return. Toyota Tsusho also actively collaborates and interacts with employee labor unions for this type of employee health management. To help combat the recent uptrend in incidences of mental illness, we utilize IT in implementing stress checks of all employees to ascertain the degree of their workplace stress. We also offer employees information such as mental health improvement measures and have set up consultation counters.

Personnel at Overseas Bases

The creation of business overseas and an expansion of Toyota Tsusho's functions have been accompanied by an increase in the number of employees dispatched from Japan to locations abroad. Concurrently, the appointment of local staff at overseas subsidiaries to executive and management-level positions has been progressing. There has also been an increase in Japanese staff dispatched overseas, who serve as advisors and coordinators to support local managers. Additionally, we hold regular conferences in Japan for which overseas staff from individual product divisions are invited to Japan to share their strategies. As these examples illustrate, we are promoting human resources development for the entire Toyota Tsusho Group on a global basis.



Labor relations conference for human resources managers

Crisis Management

Toyota Tsusho undertakes various initiatives aimed at protecting the health and safety of employees and their families in Japan and overseas. Particularly noteworthy, prior to their departure we hold seminars for employees and family members who will be dispatched overseas where living environments differ from country to country. Through such seminars, we strive to foster a deeper employee awareness of the importance of health management that encompasses mental health and their own personal safety. Following the departure of employees to overseas destinations, we work to promote mutual information exchange and ascertain local circumstances by providing information on safety and health and medical care. Moreover, Toyota Tsusho has established a structure enabling rapid response to emergency situations by setting up a crisis management headquarters to respond to contingencies as well as by forming affiliations with emergency medical service companies.

Domestic and Overseas Social Contribution Activities

Amid a growing emphasis on CSR, Toyota Tsusho focuses not only on improving its business results, but also places high value on fulfilling its environment- and community-related responsibilities on a global scale. Toyota Tsusho adheres to the guiding principle of contributing to society as a respected corporate citizen. Accordingly, Toyota Tsusho interacts directly with local communities while actively participating in an array of activities to find solutions to issues facing society and promoting initiatives aimed at ensuring people's happiness and well-being. Moreover, we promote activities in which people can see our "corporate face" by encouraging employee participation in volunteer activities and by making personal contributions.

Protecting the Global Environment

Support for the Keidanren Nature Conservation Fund

To protect the natural environment on a global scale, in fiscal 2005, Toyota Tsusho collaborated with the Keidanren Nature Conservation Fund in nature preservation projects in the Asia Pacific region and in Japan.

Support for the Children's Environmental Summit 2005

Toyota Tsusho co-sponsored the Children's Environmental Summit 2005, the first such environmental conference convened in Asia, held in Aichi Prefecture and hosted by Japan's Ministry of the Environment and Aichi Prefecture. A total of 650 children from Japan and overseas gathered for the summit, where participants discussed how to protect the global environment in the future based on the theme "Let's Act to Ensure a Sustainable Society."

International Exchange and Education

Toyota Tsusho International Scholarship Foundation

In 1988, Toyota Tsusho established the Toyota Tsusho International Scholarship Foundation to provide support that enables overseas students with a passion for learning to study in Japan. Since its establishment, this foundation has provided scholarships to 108 foreign students from China and other countries around the world. Among these, 104 students have graduated from universities and are playing active roles in society. At present, four foreign students have been admitted to universities, as they strive to fulfill their respective aspirations. Toyota Tsusho will continue to promote international exchange through its support for foreign students.



Children's Environmental Summit 2005
(Aichi Prefecture home page)



Toyota Tsusho International Scholarship Foundation secretariat and foreign students

Message

Nagoya City University, Graduate School of Economics, Third-year Doctoral Course ● Chen Aihua

I am utilizing the scholarship system of the Toyota Tsusho International Scholarship Foundation. Thanks to the foundation, during the past three years I have been able to devote myself to research on Product Development Theory and Corporate Intellectual Asset Strategy Theory. Along with my academic pursuits, I have also been able to enjoy an enriched experience as a foreign student. I would like to express my heartfelt appreciation to all parties supporting this scholarship system. In the future as well, I would like to skillfully apply what I have learned using this scholarship in striving to realize even greater achievements in my own research.



Nagoya City University, Graduate School of Medicine ● Feng Xia

My studies focus on Medical and Healthcare Information Management at Nagoya City University. Two years ago, I became a student under Toyota Tsusho's International Scholarship Foundation. The support given to me and other foreign students has been extremely helpful. Thanks to this aid, I have been able to study with peace of mind, proceed smoothly with my research and earn excellent grades. Building on the achievements made possible by this scholarship, I would like to contribute to society in the future. I would like to express my deepest appreciation to Toyota Tsusho.



Social Welfare

Support for the Tokai Wheelchair Twin Basketball 48th Toyohashi Tournament

Sports activities allow persons with serious physical disabilities to maintain their physical strength and functions as well as to expand their range of interaction with colleagues and other people while also facilitating their participation in society. Toyota Tsusho continues to promote the advancement of sports for people with serious physical disabilities and encourages their participation in society by supporting such activities as the Tokai Wheelchair Twin Basketball 48th Toyohashi Tournament.



A scene from a basketball game
(Shiro Matsuo, Human Resources & General Affairs Dept.)

Message

Human Resources & General Affairs Dept ● Shiro Matsuo

I am extremely grateful to all the volunteer staff who supported this tournament. I would like to raise the competitive level of wheelchair basketball as a sport in which those with serious disabilities can participate as well as to promote the spread of wheelchair twin basketball.



Emergency Support for Disasters

Hurricane Katrina in the United States

To aid victims of Hurricane Katrina, which caused massive destruction in the United States, in September 2005 Toyota Tsusho donated relief funds to the Japanese Red Cross Society, while U.S.-based Toyota Tsusho America, Inc. contributed relief money to the American Red Cross.

Northern Pakistan Earthquake

In November 2005, Toyota Tsusho contributed funds to the Japanese Red Cross Society, while our overseas bases also contributed funds to the disaster region in Pakistan. Additionally, a joint venture in Pakistan carried out support activities by furnishing relief goods and daily-use items.



Certificate of Appreciation received from the Japanese Red Cross Society

Large-Scale Landslide on the Philippine Island of Leyte

Toyota Tsusho contributed relief funds to the Japanese Red Cross Society in March 2006 to assist the victims of a large landslide on the island of Leyte in the Philippines.

Java Indonesia Earthquake

In June 2006, Toyota Tsusho donated funds to the Japanese Red Cross Society and to the non-profit organization Japan Platform for efforts to assist victims of the earthquake that struck Java in Indonesia. Overseas bases also contributed funds and P.T. Toyota Tsusho Indonesia provided various materials, including food, as part of relief activities.

Backing Sports and Cultural Activities

Co-Sponsoring the 6th Toyota International Youth Football Championship

Toyota Tsusho supported the 6th Toyota International Youth Football Championship held at Toyota Stadium in August 2005. The tournament featured six Under-16 (U-16) professional teams from five countries, including Japan, as well as a selected team from Aichi Prefecture. As an international tournament at the youth level, this tournament contributed to the enhancement of the football techniques of young athletes.

Co-sponsoring Performances of the Nagoya Philharmonic Orchestra

We have been co-sponsoring the Nagoya Philharmonic Orchestra since 1979 in line with our commitment to invigorate and promote the spread of artistic culture in regional communities. In continuing this sponsorship, in January 2006 we supported the Nagoya Philharmonic Orchestra Hamamatsu Concert 2006 held in Hamamatsu city.

Environmental Beautification

Clean Osaka 2005

Responding to calls for participation in the Clean Osaka 2005 campaign sponsored mainly by the city of Osaka, 37 employees from the Osaka Branch joined clean-up activities in the area surrounding that office. By actually participating in refuse collection activities, employees have come to realize the importance of town beautification activities of local communities.



Support for Employee Volunteer Activities

We provide various types of support in an effort to spread and firmly establish the voluntary participation of employees in social activities.

Internal Courses for Volunteer Education

With the aim of creating opportunities for employee participation in volunteer activities, Toyota Tsusho held an assortment of internal lecture courses featuring outside instructors. These courses were based on an array of themes that included "Discovering what individuals can do through participation in disaster-related volunteer activities," "About paid volunteering," and "Realizing genuine CSR activities—living in an age when society strongly demands that companies undertake CSR."



Matching Gift System

Under its Matching Gift System, Toyota Tsusho contributes a fixed amount of funds or materials to a volunteer activity undertaken by an employee or to an organization with which the employee is involved, based on the stipulation that the Company recognizes the activity or organization. Primary examples of matching gifts provided in fiscal 2005 are as follows.

(1) Donation of Rubber Baseballs to Rokko Island Baseball Team in the Kobe City Youth Baseball League

Toyota Tsusho employees are involved in volunteer activities at every operational level of this league, including serving as coaches and umpires. Because of a limited operating budget, the Rokko Island baseball team was forced to continue using old rubber baseballs. In response, Toyota Tsusho donated four dozen rubber baseballs.

(2) Donation of Rugby Balls to the Specified Non-Profit Organization Kusagae Young Ruggers Club's Youth Rugby Teams in Fukuoka City

The Kusagae Young Ruggers Club is composed of approximately 200 members, ranging from kindergarteners to third-year junior high students. Toyota Tsusho employees serve as volunteer coaches for the kindergarten team. We recently donated 17 rugby balls to the club, which served as a source of strong encouragement for these volunteer activities of Toyota Tsusho employees.



Introducing and Providing Information on Volunteering

In October 2005, we joined Smile You Net, a membership-based Internet site operated by the Toyota Group that can be utilized by volunteer organizations and employee volunteers. By joining this site, we are able to introduce and provide volunteer-related information to employees and work to coordinate activities with volunteer organizations.

The Toyota Tsusho Group adheres to “Creation of Added Value” as a fundamental management policy to ensure the satisfaction of all stakeholders. To realize this policy, Toyota Tsusho is working to strengthen and enhance the stability of its financial structure while steadily increasing its earnings through efficient management.

VISION 2015—LEAD THE NEXT™

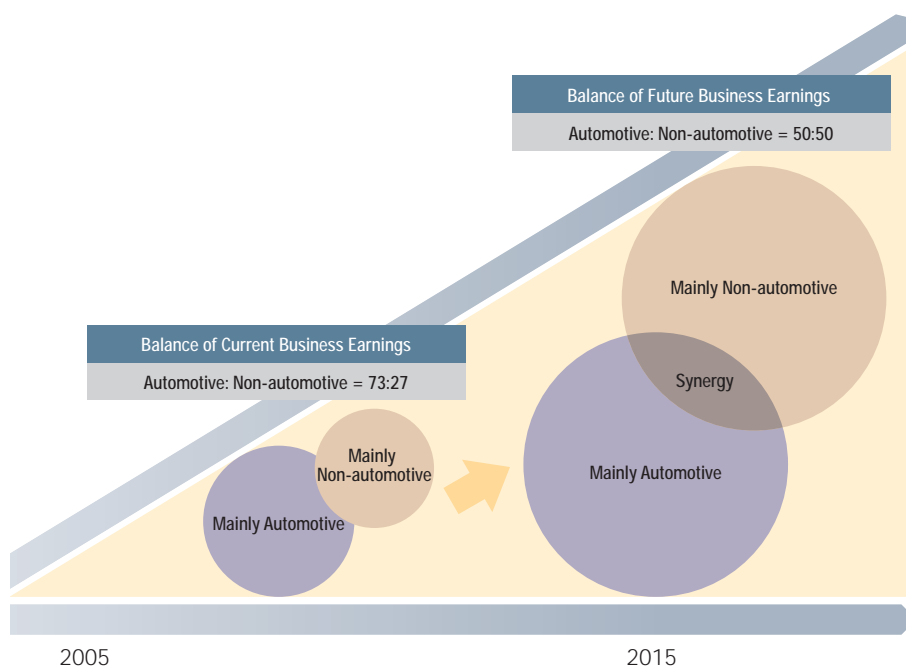
Medium-term Management Strategy

The Toyota Tsusho Group has formulated “VISION 2015—LEAD THE NEXT,” which articulates our strategic intentions for 2015 as a “company that creates value.” Specifically, Toyota Tsusho aims to actively create next-generation businesses in six business domains and attain balanced business earnings, with automotive and non-automotive businesses each accounting for 50% of earnings.

Toyota Tsusho will firmly seize opportunities for growth in the automotive sector as the “first pillar” of its business, while creating new functions and thoroughly bolstering the strengths that are unique to the Toyota Tsusho Group as we aim for further growth.

In non-automotive fields, we will create synergies with automotive businesses by laterally developing functions and expertise acquired in the automotive business and will establish and cultivate non-automotive businesses as our “second and third pillars.”

While implementing thorough risk management, we will actively allocate management resources to areas we determine warrant investment as we develop businesses that offer potential for growth. Toyota Tsusho aims to achieve its strategic goals through the 12 aspects of L.E.A.D. consisting of three areas: Functions, Constitution and Responsibilities.



* Business Domains (6 Divisions)
 Metals
 Machinery & Electronics
 Automotive
 Energy & Chemicals
 Produce & Foodstuffs
 Consumer Products,
 Services & Materials

Business Domains (6 Divisions)	Automotive/Non-automotive
Metals	Mainly Automotive
Machinery & Electronics	
Automotive	
Energy & Chemicals	Mainly Non-automotive
Produce & Foodstuffs	
Consumer Products, Services & Materials	

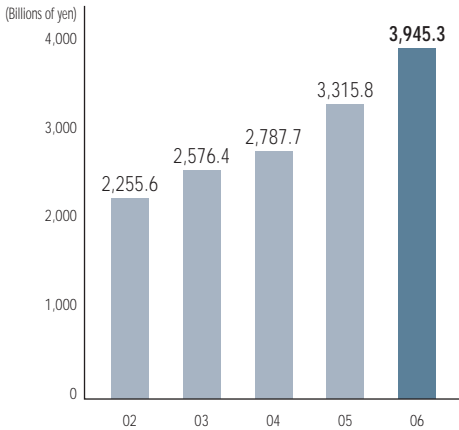
L.E.A.D.

	L	E	A	D
Functions	Linkage	Engineering	Added Value	Development
Constitution	Lean	Entrepreneurial	Agile	Dynamic
Responsibilities	Legality	Ethics	Accountability	Disclosure

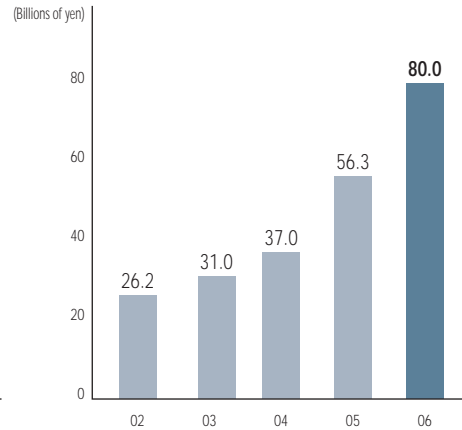
Financial Highlights

(As of March 31, 2006)

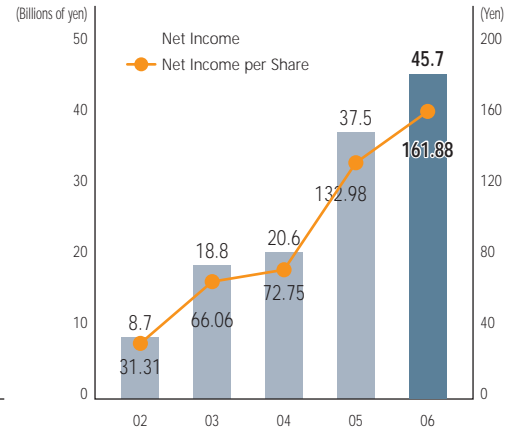
Consolidated Net Sales



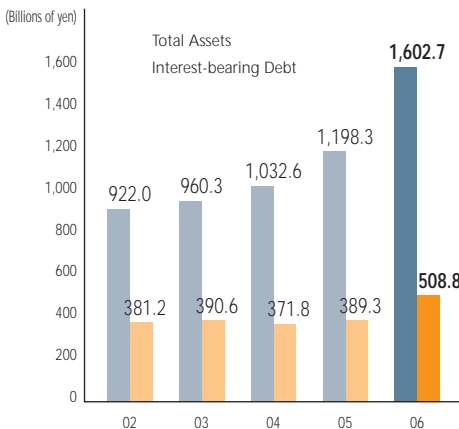
Consolidated Operating Income



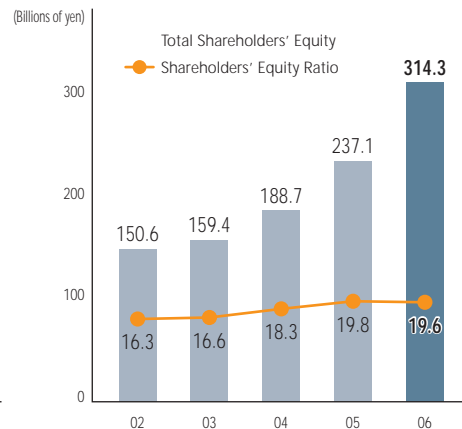
Net Income / Net Income per Share



Total Assets/Interest-bearing Debt



Total Shareholders' Equity / Shareholders' Equity Ratio

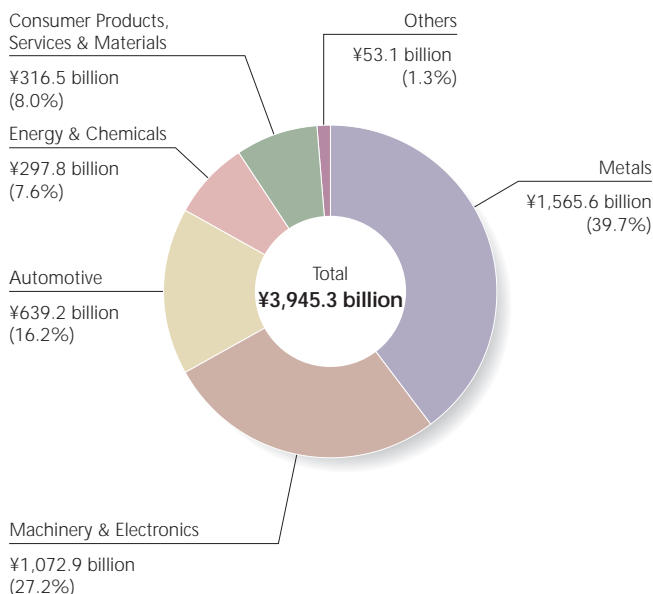


ROE / ROA



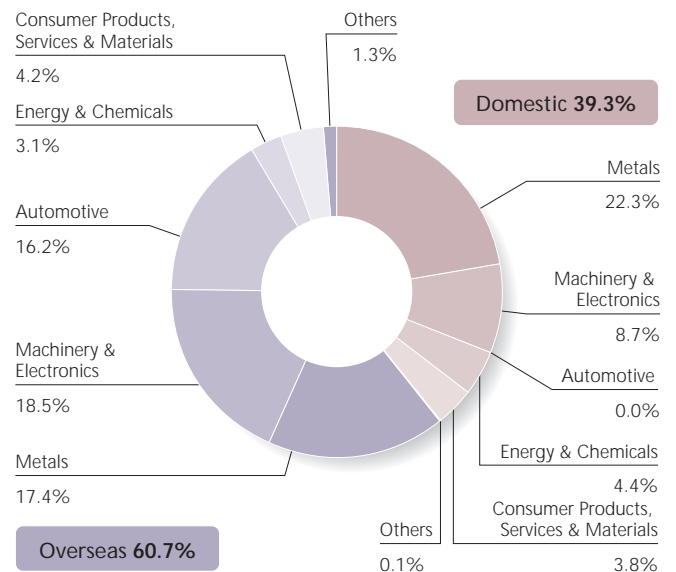
Sales Composition by Segment

(As of March 31, 2006)



Business Composition by Segment

(As of March 31, 2006)



Chronology of Toyota Tsusho's Activities

Environment-Related Activities			Social Contribution Activities	
1970	July	Toyota Metal Scrap Co., Ltd. (presently Toyota Metal Co., Ltd.) established.		
1973	May	Toyota Chemical Engineering Co., Ltd. established.	1973~	Christmas tree presented to Seien Tenshi En in Midori-ku, Nagoya. Presently donating shortcakes.
1985	November	First Toyotsu Safety and Health Cooperation Council convened.	1979~	Co-sponsoring of the Nagoya Philharmonic Orchestra.
1992	October	Toyota Metal Co., Ltd. receives Minister of International Trade and Industry Award as a meritorious company in recycling.	1988~	Establishment and support for Toyota Tsusho International Scholarship Foundation. Commencement of traffic safety promotion activities around area of Toyota Tsusho head office.
1994	March	Toyotsu Recycle Co., Ltd. established.	1993~	Support for the Nagoya Grampus Eight soccer team.
1999	July December	Environmental Policy formulated. First Conference on the Global Environment convened.	1997~	Donation made to Foundation for the Arts, Nagoya (Nagoya/Boston Museum of Fine Arts).
2000	June October December	Vestech Japan Co., Ltd. established as a joint venture sales agent in the wind power business. Toyota Tsusho commissioned by NEDO to carry out energy reduction survey business targeting two steel companies in Liaoning Province, China. ISO 14001 certification obtained.		
2001	June September October November	Safety Management Office is reorganized and becomes the Environmental Safety Promotion Office. Entered the emissions rights trading business by participating in the business of Natsource Japan Co., Ltd., a CO ₂ emissions rights trading company. Wind Tech Minami Towada Corporation established to engage in the wind power business. Wind Tech Yokohama Corporation established to engage in the wind power business. Name of Environmental Safety Promotion Office changed to Environmental Safety Promotion Department. Toyota Tsusho and Toyota Automatic Loomworks, Ltd. jointly establish Eco Technology Inc. (U.S.) to manufacture and sell recycled soundproofing materials.		
2002	March April May September October November December	Ecoline Corporation established. Ene Vision Corporation established to engage in the sale and maintenance of cogeneration systems. Participation in cost-sharing for demonstration testing and development of a 100 ton/day plant for DME fuel, a new type of energy (by 2006); participation as a trader in an emission rights market in the United Kingdom, the world's first such market. Wind Alpha Co., Ltd. established to engage in the maintenance of wind power facilities. ESP Japan Co., Ltd. established with a joint investment by Toyota Tsusho, Environmental Systems Products Holdings Inc. and Wellstone Co, Ltd. mainly to engage in businesses for measuring vehicle exhaust gas emissions and selling related devices. Toyota Tsusho commissioned by NEDO to engage in cogeneration surveys in China; EC trading site for cogeneration facilities launched as the industry's first such EC site. Wind Tech Bonotsu Corporation established to engage in wind power business. Involved in CDM project in Brazil, the first such Japanese government-certified CDM project.	2002~	Staff of Toyoda and Kariya branches engage in clean-up activities of surrounding area of these branches. 
2003	January June October November December	Nagoya head office moved to current location (environmentally conscious building). Participation in wind power pilot business in Tokyo; J-Wind TOKYO established jointly with J-POWER / Electric Power Development Co., Ltd. Toyota Tsusho, together with Futaba Industrial Co., Ltd. and TYK Corporation commenced development and sales of a DPF for purifying diesel engine exhaust emissions. Company for engaging in aluminum melting and ingot recycling business established in Indonesia. Toyota Tsusho commissioned by NEDO to engage in solar energy surveys in Tonga. Toyota Tsusho commissioned by GEC to engage in gas recovery and power generation surveys at landfill sites in Brazil. MOU for emissions rights trading concluded with Russia's unified power company (Unified Energy System). Company established in Poland to engage in aluminum melting and ingot recycling business. J-Wind TAHARA established jointly with J-POWER / Electric Power Development Co., Ltd. Investigation completed for renewal of ISO 14001 certification.	2003~	Provide support for 2005 World Exposition (Aichi Exposition). 
2004	January April June July August October	Toyotsu Recycle Co., Ltd. becomes wholly owned subsidiary. Toyota Tsusho and Toyotsu Recycle advance into the ASR business along with the implementation of the Automobile Recycling Law. Toyota Chemical Engineering's <i>Environmental Report 2003</i> earned an award for environmental reports for small and medium-sized companies at the Seventh Environmental Reports Awards co-sponsored by Toyo Keizai Inc. and Green Reporting Forum. Toyota Tsusho commissioned by GEC to engage in surveys on modifications at the Khabarovsk power plant in Russia. Changchun Tong-Li Aluminium Smelting Technology Co., Ltd. established in Changchun, China, to engage in melting of aluminium and the production of recycled ingots. Guangzhou Aluminium Smelting Technology Co., Ltd. established in Guangzhou, China, to engage in melting of aluminium and the production of recycled ingots. Green Metals Hokuriku Co., Ltd. established. Development and sales of visible-light responsive photocatalyst for textiles commenced.	2004	August Employees donate uniforms to Mongolia. October P.T. Toyota Tsusho Indonesia provided scholarships to elementary school students from impoverished families. November Funds donated to the Niigata-Chuetsu Earthquake. "In-house Business Startups" lecture given by Chairman Eizo Takeyama (then chairman) at course on business startups at Meijo University. Staff of Toyota Tsusho provide lectures on "Trends in the Wind Power Business" at a seminar held by the Graduate School of Engineering at Nagoya University.
2005	March June July October	Supply of wind power electricity to 2005 World Exposition, Aichi, Japan commenced. Participated in "Team Minus 6%." Supply of GTL fuel to shuttle buses at Aichi Exposition commenced. <i>CSR Report 2005</i> published.	2005	January July September November Funds donated for victims of the Indian Ocean Tsunami/Sumatra Earthquake. Co-sponsored Children's Environmental Summit 2005. Contributed relief funds for damage from Hurricane Katrina in the United States. Contributed relief funds for damage from the northern Pakistan Earthquake. Participated in clean-up activities for Clean Osaka 2005.
2006	January February June	Toyota Chemical Engineering's Environmental Report 2005 earned the Encouragement Prize in the Environmental Report category at the Environmental Communication Grand Awards held by the Earth and People's Environment Forum. Investment made to carry out the biogas generation business (CDM) with Tokyo Electric Power Co., Ltd. in Thailand. New system for biomass developed together with Toyota Motor Corporation and Menicon Co., Ltd.	2006	March June Contributed relief funds for damage from a large-scale landslide on the Philippine island of Leyte. Contributed relief funds for damage from the Java Indonesia Earthquake.

Comparison with GRI Guidelines

The following list shows the page numbers containing statements related to guideline categories of the Global Reporting Initiative's *GRI Sustainability Reporting Guidelines 2002* used as a reference for information disclosed in this report.

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